

GOODRICH CORP
Form S-3ASR
October 27, 2011
Table of Contents

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON OCTOBER 27, 2011

REGISTRATION NO. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

GOODRICH CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

New York
(State or Other Jurisdiction)

34-0252680
(IRS Employer Identification No.)

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of Incorporation or Organization)

FOUR COLISEUM CENTRE

2730 WEST TYVOLA ROAD

CHARLOTTE, NORTH CAROLINA 28217

(704) 423-7000

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

SALLY L. GEIB

VICE PRESIDENT, ASSOCIATE GENERAL COUNSEL AND ASSISTANT SECRETARY

GOODRICH CORPORATION

FOUR COLISEUM CENTRE

2730 WEST TYVOLA ROAD

CHARLOTTE, NORTH CAROLINA 28217

(704) 423-7000

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copies to:

VINCENT M. LICHTENBERGER

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(704) 423-7000

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101 NORTH TRYON STREET

SUITE 1900

CHARLOTTE, NORTH CAROLINA 28246

(704) 377-8355

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.

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If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>

(Do not check if a smaller reporting company)

CALCULATION OF REGISTRATION FEE

Amount to be Registered/ Proposed Maximum Offering Price

Per Unit/Proposed Maximum Aggregate Offering

Title of Each Class of Securities to be Registered (1)	Price/Amount of Registration Fee (2)
Debt Securities	
Series Preferred Stock	
Common Stock	
Stock Purchase Contracts	
Stock Purchase Units	

- (1) Any securities registered hereunder may be sold separately or as units with other securities registered hereunder.
- (2) An indeterminate aggregate initial offering price and number or amount of the securities of each identified class is being registered as may from time to time be sold at indeterminate prices. Separate consideration may or may not be received for securities that are issuable upon conversion of, or in exchange for, or upon exercise of, convertible or exchangeable securities. In accordance with Rules 456(b) and 457(r), the Registrant is deferring payment of all of the registration fee.

Table of Contents

PROSPECTUS

GOODRICH CORPORATION

Debt Securities

Series Preferred Stock

Common Stock

Stock Purchase Contracts

Stock Purchase Units

We may offer from time to time debt securities, series preferred stock, common stock, stock purchase contracts and stock purchase units pursuant to this prospectus. We will provide specific terms of these securities in supplements to this prospectus. You should read this prospectus and any supplement carefully before you invest.

Our common stock is listed in the United States on the New York Stock Exchange under the trading symbol GR. Our principal executive offices are located at Four Coliseum Centre, 2730 West Tyvola Road, Charlotte, North Carolina 28217. Our telephone number is (704) 423-7000.

We may sell the securities offered by this prospectus on a continuous or delayed basis directly, through agents, dealers or underwriters or through direct sales or auctions performed by utilizing the internet or a bidding or ordering system as designated from time to time by us, or through any combination of these methods. If any agents, dealers or underwriters are involved in the sale of any securities offered by this prospectus, the applicable prospectus supplement will set forth any applicable commissions or discounts between or among them. Our net proceeds from the sale of securities also will be set forth in the applicable prospectus supplement.

Investment in any securities offered by this prospectus involves risk. See Risk Factors beginning on page 5 of this prospectus, in our periodic reports filed from time to time with the Securities and Exchange Commission and in the applicable prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This prospectus is dated October 27, 2011.

Table of Contents

TABLE OF CONTENTS

	Page
<u>About this Prospectus</u>	3
<u>Where You Can Find More Information</u>	3
<u>Risk Factors</u>	5
<u>Forward-Looking Statements</u>	5
<u>The Company</u>	6
<u>Use of Proceeds</u>	7
<u>Ratio of Earnings to Fixed Charges</u>	7
<u>Description of Debt Securities</u>	8
<u>Description of Series Preferred Stock</u>	17
<u>Description of Common Stock</u>	20
<u>Description of Stock Purchase Contracts and Stock Purchase Units</u>	24
<u>Plan of Distribution</u>	25
<u>Legal Opinions</u>	27
<u>Experts</u>	27

Table of Contents

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we, Goodrich Corporation, filed with the SEC using a shelf registration process. Under this shelf process, we may sell in one or more offerings any combination of the following securities:

debt securities,

series preferred stock,

common stock,

stock purchase contracts, and

stock purchase units.

This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement that will contain specific information about the terms of the securities offered. Each prospectus supplement may also add to, update or change the information contained or incorporated by reference in this prospectus. You should read both this prospectus and the applicable prospectus supplement together with the information described under the heading **Where You Can Find More Information** directly below. In addition, a number of the documents and agreements that we refer to or summarize in this prospectus, like our restated certificate of incorporation, have been filed with the SEC as exhibits to the registration statement. Before you invest in any of our securities, you should read the relevant documents and agreements.

References to **Goodrich** refer to Goodrich Corporation. Unless the context otherwise requires, references to **we**, **us**, **our**, or **the company** refer collectively to Goodrich Corporation and its subsidiaries.

You should rely only on the information contained or incorporated by reference in this prospectus or any prospectus supplement. We have not authorized anyone else to provide you with different information. Neither we, nor any other person on our behalf, is making an offer to sell or soliciting an offer to buy any of the securities described in this prospectus or in any prospectus supplement in any state where the offer is not permitted. You should not assume that the information in this prospectus or any prospectus supplement is accurate as of any date other than the date on the front of these documents. There may have been changes in our affairs since the date of the prospectus or any prospectus supplement.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet from the SEC's web site at <http://www.sec.gov>. You may also read and copy any document we file at the SEC's public reference room located at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room and their copy charges.

The SEC allows us to incorporate by reference in this prospectus the information in documents filed with it. This means that we can disclose important information to you by referring you to these

Table of Contents

documents. The information incorporated by reference is considered to be a part of this prospectus, and information in documents that we file later with the SEC will automatically update and supersede information contained in documents filed earlier with the SEC or contained in this prospectus or any prospectus supplement.

We incorporate by reference in this prospectus the documents listed below and any future filings that we may make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until we, or our agents, sell all of the securities that may be offered by this prospectus:

Our Annual Report on Form 10-K for the year ended December 31, 2010.

Our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2011, June 30, 2011 and September 30, 2011.

Our Current Reports on Form 8-K filed February 16, 2011, April 1, 2011, April 21, 2011, May 23, 2011, June 8, 2011, September 22, 2011 and October 19, 2011.

Our Registration Statement on Form 8-A/A filed on August 11, 2003 (description of our common stock).

You may request a copy of these documents, except exhibits to such documents unless those exhibits are specifically incorporated by reference in such documents, at no cost to you, by writing or telephoning us at the following address:

Goodrich Corporation

Four Coliseum Centre

2730 West Tyvola Road

Charlotte, North Carolina 28217

Attention: Secretary

(704) 423-7000

You may also find additional information about us, including the documents mentioned above, on our website at <http://www.goodrich.com>. The information included on or linked to this website or any website referred to in any document incorporated by reference into this prospectus is not a part of this prospectus.

Any statement made in this prospectus or any prospectus supplement concerning the contents of any contract, agreement or other document is only a summary of the actual document. You may obtain a copy of any document summarized in this prospectus or any prospectus supplement at no cost by writing to or telephoning us at the address and telephone number given above. Each statement regarding a contract, agreement or other document is qualified in its entirety by reference to the actual document.

Table of Contents

RISK FACTORS

Investment in any securities offered pursuant to this prospectus involves risks. You should carefully consider the risk factors incorporated by reference to our most recent Annual Report on Form 10-K and our subsequent Quarterly Reports on Form 10-Q and the other information contained in this prospectus, as updated by our subsequent filings under the Securities Exchange Act of 1934, as amended, and the risk factors and other information contained in the applicable prospectus supplement before acquiring any of such securities.

FORWARD-LOOKING STATEMENTS

We believe that some of the information contained or incorporated by reference in this prospectus constitutes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 regarding our future plans, objectives and expected performance. Specifically, statements that are not historical facts, including statements accompanied by words such as may, will, would, could, should, believes, estimates, projects, potential, expects, plans, seeks, intends, evaluates, pursues, anticipates, continues, design, target, outlook, initiative, objective, designed, priorities, goal or the negative of those words or other similar expressions, are intended forward-looking statements and convey the uncertainty of future events or outcomes that represent our current judgment about possible future events. All statements in this prospectus and any accompanying prospectus supplement, and in related comments by our management, other than statements of historical facts, including without limitation, statements about future events or financial performance, are forward-looking statements that involve certain risks and uncertainties.

These statements are based on certain assumptions and analyses made in light of our experience and perception of historical trends, current conditions and expected future developments as well as other factors that we believe are appropriate in the circumstances. While these statements represent our current judgment on what the future may hold, and we believe these judgments are reasonable, these statements are not guarantees of any events or financial results. Whether actual future results and developments will conform with our expectations and predictions is subject to a number of risks and uncertainties, including the risks and uncertainties discussed in the documents referred to under the caption Risk Factors, in documents incorporated by reference into this prospectus and in any applicable prospectus supplement, and other factors, many of which are beyond our control.

Consequently, all of the forward-looking statements made in this prospectus and any prospectus supplement are qualified by these cautionary statements and there can be no assurance that the actual results or developments that we anticipate will be realized or, even if realized, that they will have the expected consequences to or effects on us and our subsidiaries or our businesses or operations. We caution investors not to place undue reliance on forward-looking statements. We undertake no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information, future events, or other such factors that affect the subject of these statements, except where we are expressly required to do so by law.

Table of Contents

THE COMPANY

We are one of the largest worldwide suppliers of components, systems and services to the commercial and general aviation airplane markets. We are also a leading supplier of systems and products to the global defense and space markets. Our business is conducted globally with manufacturing, service and sales undertaken in various locations throughout the world. Our products and services are sold principally to customers in North America, Europe and Asia.

We provide products and services for the entire life cycle of airplane and defense programs, including a significant amount of aftermarket support for our key products. Our key products include:

Actuation systems equipment that utilizes linear, rotary or fly-by-wire actuation to control movement. We manufacture a wide-range of actuators including primary and secondary flight controls, helicopter main and tail rotor actuation, engine and nacelle actuation, utility actuation, precision weapon actuation and land vehicle actuation.

Landing gear complete landing gear systems for commercial, general aviation and defense aircraft.

Aircraft wheels and brakes aircraft wheels and brakes for a variety of commercial, general aviation and defense applications.

Nacelles the structure surrounding an aircraft engine. Components of a nacelle include thrust reversers, inlet and fan cowls, nozzle assemblies, exhaust systems and other structural components. Our aerostructures business is one of a few businesses that is a nacelle integrator, which means that we have the capabilities to design and manufacture all components of a nacelle, dress the engine systems and coordinate the installation of the engine and nacelle to the aircraft.

Interiors interior products, including evacuation slides, specialty seating, cargo systems, lighting systems, cabin interior furnishings and cabin management systems.

Engine control systems applications for large and small commercial engines, helicopters and all forms of military aircraft. Our products include fuel metering controls, fuel pumping systems, electronic controls (software and hardware), variable geometry actuation controls and engine health monitoring systems.

Intelligence surveillance and reconnaissance systems high performance custom engineered electronics, optics, shortwave infrared cameras and arrays, and electro-optical products and services for sophisticated defense, scientific and commercial applications.

Sensor systems aircraft and engine sensors that provide critical measurements for flight control, cockpit information and engine control systems.

Power systems aircraft electrical power systems for large commercial airplanes, business jets and helicopters. We supply these systems to defense and civil customers around the globe.

Table of Contents

Our principal executive offices are located at Four Coliseum Centre, 2730 West Tyvola Road, Charlotte, North Carolina 28217, and our telephone number is 704-423-7000. We were incorporated under the laws of the State of New York on May 2, 1912 as the successor to a business founded in 1870.

USE OF PROCEEDS

Unless we indicate otherwise in a prospectus supplement, we expect to use the net proceeds from the sale of the securities for general corporate purposes, which may include, among other things, working capital, financing acquisitions, capital expenditures and the repayment of short-term and long-term borrowings. Further details relating to the uses of the net proceeds of any securities will be set forth in the applicable prospectus supplement.

RATIO OF EARNINGS TO FIXED CHARGES

Our ratio of earnings to fixed charges for each of the periods indicated is as follows:

Nine Months Ended							
September 30,		Twelve Months Ended December 31,					
2011	2010	2010	2009	2008	2007	2006	
7.9	6.6	6.2	6.7	8.4	6.1	4.2	

For these ratios, earnings consist of income from continuing operations before

income taxes,

fixed charges (excluding capitalized interest and distributions on trust preferred securities), and

minority interest and earnings (losses) of affiliated companies which are accounted for on the equity method.

For these ratios, fixed charges consist of

interest on all indebtedness (including capitalized interest and interest costs on company-owned life insurance policies),

amortization of debt discount or premium or capitalized expenses related to debt,

an interest factor attributable to rentals, and

distributions on trust preferred securities.

There were no shares of preferred stock outstanding during any of the periods indicated. Therefore, the ratio of earnings to fixed charges and preferred stock dividends would have been the same as the ratio of earnings to fixed charges for each period indicated.

Table of Contents

DESCRIPTION OF DEBT SECURITIES

The following description sets forth certain general terms and provisions of the debt securities to which any prospectus supplement may relate. A prospectus supplement will describe the particular terms and provisions of, and the extent to which the general terms and provisions described below may apply to, a series of debt securities.

We will issue the debt securities under an indenture between us and The Bank of New York Mellon Trust Company, N.A., as successor to Harris Trust and Savings Bank, as trustee, dated as of May 1, 1991. If we use another trustee for a series of debt securities, we will provide the details in a prospectus supplement.

We have summarized below selected provisions of the indenture and the Trust Indenture Act of 1939. The summary does not contain all the provisions that you may want to consider as an investor in our debt securities. You may wish to review the indenture. We have filed a copy of the indenture with the SEC, and the summary below includes references to the relevant sections of the indenture so that you can locate them easily.

General

The indenture does not limit the amount of debt securities that we may issue. Unless we state otherwise in a prospectus supplement, the debt securities that we issue under this prospectus will not limit the amount of other debt that we can issue.

The indenture allows us to issue debt securities in one or more series. The prospectus supplement for a series of debt securities being offered will include the specific terms of the debt securities. These terms will include all or some of the following:

the title of the debt securities;

the principal amount and the permitted denominations of the debt securities;

the price or prices at which the debt securities will be issued;

the currency or currencies in which the principal of and any interest on the debt securities will be payable;

the dates on which principal and interest on the debt securities will be payable;

the interest rate, if any, for the debt securities or the method that will be used to determine the interest rate;

the places where principal and interest will be payable;

any mandatory or optional repayment or redemption provisions; and

any other terms of the debt securities.

We are permitted under the indenture to issue debt securities of a single series at various times, with different maturity dates and redemption and repayment provisions, if any, and different interest rates.

Table of Contents

(Section 2.5) We will specify in the applicable prospectus supplement the persons to whom and the manner in which any interest will be payable.

The debt securities will be unsecured, unsubordinated indebtedness of Goodrich. The debt securities will rank equally with all our other unsecured and unsubordinated indebtedness.

The debt securities will be issued in the denominations set forth in the applicable prospectus supplement. The trustee will maintain a register of the names of the holders of the debt securities. (Section 2.10) We will maintain an office or agency where the debt securities may be presented for payment and may be transferred or exchanged. (Section 3.2) We will not make any service charges for any transfer or exchange of the debt securities, but we may require a payment sufficient to cover any tax or other governmental charge payable on the debt securities. (Section 2.10)

We may sell debt securities at a substantial discount below their stated principal amount, and we may provide for the payment of no interest or interest at a rate which at the time of issuance is below market rates. We will describe the U.S. federal income tax consequences and other special considerations applicable to any discounted debt securities in the prospectus supplement relating to the discounted debt securities.

Book-Entry Procedures

We may issue debt securities in the form of one or more global certificates registered in the name of a depository or a nominee of a depository. Unless we state otherwise in the applicable prospectus supplement, the depository will be The Depository Trust Company. The Depository Trust Company has informed us that its nominee will be Cede & Co., who will be the initial registered holder of any series of debt securities that are issued in book-entry form.

If we use the book-entry only form for any series of debt securities, we will not issue certificates to individual holders of the debt securities, except as set forth below or in the applicable prospectus supplement. The Depository Trust Company and its participating organizations will only show beneficial interests in, and transfers of, book-entry securities on the records that it and its participating organizations maintain. In addition, if any holder of debt securities issued in book-entry form wants to take any action, it must instruct the participating organization through which it holds the debt securities. The participating organization must then instruct The Depository Trust Company or Cede & Co., as the registered holder of the debt securities, to take action.

The Depository Trust Company is a limited purpose trust company organized under the New York Banking Law, a banking organization within the meaning of the New York Banking Law, a member of the United States Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code and a clearing agency registered under Section 17A of the Securities Exchange Act of 1934. The Depository Trust Company holds securities that its participating organizations, or direct participants, deposit with it. The Depository Trust Company also facilitates the clearance and settlement of securities transactions among direct participants through electronic book-entries, thereby eliminating the need for physical exchange of certificates. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Other organizations, including banks, brokers, dealers and trust companies that work with a direct participant, also use The Depository Trust Company's book-entry system. These organizations are referred to as indirect participants. The rules that apply to The Depository Trust Company and its participants are on file with the SEC.

Table of Contents

If anyone wishes to purchase, sell or otherwise transfer debt securities in book-entry form, they must do so through a direct or indirect participant. Under a book-entry format, holders of debt securities may experience some delay in their receipt of payments. Holders will not be recognized as registered holders of the debt securities and, thus, will be permitted to exercise their rights only indirectly through and subject to the procedures of direct participants and, if applicable, indirect participants.

The absence of physical certificates may limit the ability of a holder to pledge debt securities issued in book-entry form to persons or entities that do not participate in The Depository Trust Company system, or to otherwise act with respect to the debt securities.

The Depository Trust Company has advised us that it will only take any action permitted to be taken by a registered holder of any debt securities at the direction of a direct participant.

Debt securities represented by a book-entry security will be exchangeable for the debt securities in registered form with the same terms only if:

The Depository Trust Company notifies us that it is unwilling or unable to continue as depository or The Depository Trust Company ceases to be a clearing agency registered under applicable law and we do not appoint a new depository within 90 days; or

we determine that the global security is exchangeable.

Except as we describe in this section, a book-entry security may not be transferred except as a whole by The Depository Trust Company to its nominee or by its nominee to The Depository Trust Company or another of its nominees or to a successor depository appointed by us.

The information in this section about The Depository Trust Company and the book-entry system has been obtained from sources that we believe to be accurate, but we assume no responsibility for its accuracy. We have no responsibility for the performance by The Depository Trust Company or its participants of their obligations as described in this prospectus or under the rules and procedures governing their operations.

Certain Covenants

We must comply with the restrictive covenants in the indenture that are described below.

Definitions

Attributable Debt with respect to any lease under which we are liable is defined as the lesser of (1) the fair value of the property subject to that lease as determined by certain of our officers or (2) the present value of the total net amount of rent we must pay under that lease until it expires, calculated using a discount rate determined by certain of our officers and compounded semiannually. The net amount of rent we must pay under any lease for any period is the amount of rent payable for the period, excluding payments for maintenance and repairs, insurance, taxes, assessments, water rates and similar charges. For any lease that we may terminate by paying a penalty, the net amount of rent includes the penalty, but no rent is included after the first date upon which the lease may be terminated.

Consolidated Net Tangible Assets is defined as the total amount of assets (minus applicable reserves and properly deductible items) minus (1) all current liabilities, excluding (a) those which are extendible or renewable to more than 12 months after the time as of which the amount of the liability is

Table of Contents

being computed, (b) current maturities of long-term indebtedness and (c) capital lease obligations, and (2) all goodwill, in each case as shown on our audited financial statements.

Debt is defined as indebtedness for money borrowed or any other indebtedness evidenced by notes, bonds, debentures or other similar documents.

Funded Debt is defined as all indebtedness for money borrowed (1) with a maturity of more than 12 months after the date on which the amount of indebtedness is determined or (2) with a maturity that is less than 12 months from that date but which is renewable or extendible beyond 12 months from that date at the borrower's option.

Principal Property is defined as any building, structure or other facility, the land upon which it stands and the fixtures that are a part of it, (1) that is used primarily for manufacturing and is located in the United States and (2) the net book value of which exceeds 3% of Consolidated Net Tangible Assets. Principal Property does not include (1) any building, structure or facility that, in the opinion of our board of directors, is not of material importance to our total business or (2) any portion of a particular building, structure or facility that, in the opinion of our board of directors, is not of material importance to the use or operation of that building, structure or facility.

Restricted Subsidiary is defined as any Subsidiary (1) with substantially all its property located in the United States or carrying on substantially all its business within the United States and (2) which owns a Principal Property. Restricted Subsidiary, however, does not include any Subsidiary whose primary business (1) consists of financing operations in connection with leasing and conditional sales transactions on behalf of Goodrich, (2) consists of purchasing accounts receivable or making loans secured by accounts receivable or inventory or (3) is that of a finance company.

Subsidiary is defined as any company in which we and/or one or more of our subsidiaries own, directly or indirectly, at least a majority of the outstanding voting stock.

Limitation on Liens

The indenture prohibits us and our Restricted Subsidiaries from incurring, issuing, assuming or guaranteeing any Debt secured by any sort of lien on

(1) any Principal Property owned by us or a Restricted Subsidiary,

(2) any stock in any Restricted Subsidiary, or

(3) any Debt of any Restricted Subsidiary, without securing all outstanding series of debt securities equally and ratably with (or prior to) the secured Debt to be incurred, issued, assumed or guaranteed, unless the aggregate principal amount of that secured Debt together with (1) all secured Debt that would otherwise be prohibited, and (2) all of our and our Restricted Subsidiaries' Attributable Debt in respect of sale and leaseback transactions that would otherwise be prohibited by the covenant limiting sale and leaseback transactions described below, would not exceed 10% of Consolidated Net Tangible Assets. The restriction described above does not apply to guarantees related to the sale, discount, guarantee or pledge of notes, chattel mortgages, leases, accounts receivable, trade acceptances and other paper arising in the ordinary course of business out of installment or conditional sales of merchandise, equipment or services to distributors, dealers or other customers and similar transactions involving retention of title.

Table of Contents

In addition, the restriction described above will not apply to Debt secured by the following:

liens on property, stock or Debt of any corporation existing at the time it becomes a Restricted Subsidiary;

liens to secure indebtedness of a Restricted Subsidiary to us or to another Restricted Subsidiary;

liens for taxes, assessments or governmental charges or levies (a) that are not yet due and delinquent or (b) the validity of which we are contesting, or deposits to obtain the release of these liens;

liens of materialmen, mechanics, carriers, workmen, repairmen, landlords or other similar liens, or deposits to obtain the release of these liens;

liens arising under legal process the execution or enforcement of which is stayed and which are being contested in good faith;

liens (a) to secure public or statutory obligations, (b) to secure payment of workmen's compensation, (c) to secure performance in connection with tenders, leases of real property, bids or contracts or (d) to secure (or in lieu of) surety or appeal bonds, and liens made in the ordinary course of business for similar purposes;

liens in favor of the United States, any state in the United States, or any agency, department, instrumentality or political subdivision thereof or of any other country or political subdivision thereof, to secure payments pursuant to any contract or statute or to secure any debt incurred to finance the purchase price or the cost of construction of the property subject to the lien;

liens on property, stock or Debt of a corporation (a) existing at the time we acquired the corporation (including corporations with which we merged or consolidated or purchased substantially all the properties of), (b) that secure the payment of the purchase price, construction cost or improvement cost thereof or (c) that secure any Debt incurred prior to, at the time of, or within one year after we acquired the property, shares or Debt, or completed the construction on or commenced commercial operation of the property, whichever is later, for the purpose of financing the purchase price or construction cost;

liens existing at the date of the indenture; and

any extension, renewal or replacement of any of the foregoing liens that does not increase the Debt secured by such lien and that is limited to all or a part of the same property, stock or Debt that secured the original lien. (Section 3.4)

Limitation on Sales and Leasebacks

The indenture provides that neither we nor any Restricted Subsidiary may enter into any sale and leaseback transaction with any bank, insurance company or other lender or investor where we or the Restricted Subsidiary would lease a Principal Property for a period totaling more than three years if that Principal Property has been or will be sold by us or a Restricted Subsidiary within one year after acquisition, completion of construction or commencement of full operations thereof to that investor or lender or to any person to whom that lender or investor has made funds available on the security of that Principal Property, unless either:

Table of Contents

we or the Restricted Subsidiary could create Debt secured by a lien on the Principal Property to be leased back in an amount equal to the Attributable Debt with respect to that sale and leaseback transaction without equally and ratably securing the debt securities of all series pursuant to the provisions of the covenant on limitation on liens described above; or

we apply within 270 days after the sale or transfer by us or the Restricted Subsidiary an amount equal to the greater of (1) the net proceeds of the sale of the Principal Property sold and leased back pursuant to the arrangement and (2) the fair market value of the Principal Property (as determined by certain of our officers) so sold and leased back at the time of entering into the arrangement to

the purchase of different property, facilities or equipment that has a value at least equal to the net proceeds of the sale or

the retirement of our Funded Debt.

The amount to be applied to the retirement of our Funded Debt will, however, be reduced by (1) the principal amount of any debt securities issued under the indenture (or, if any of those debt securities are original issue discount debt securities, the portion of the principal amount that is due and payable with respect to those debt securities pursuant to a declaration in accordance with Section 4.1 of the indenture) delivered within 270 days after the relevant sale to the trustee for retirement and cancellation and (2) the principal amount of Funded Debt, other than the debt securities issued under the indenture, voluntarily retired by us within 270 days after the relevant sale. We may not effect any retirement of Funded Debt referred to above by payment at maturity or pursuant to any mandatory sinking fund payment or any mandatory prepayment provision. (Section 3.5)

Absence of Other Restrictions

The indenture does not contain:

any restrictions on the declaration of dividends;

any requirements concerning the maintenance of any asset ratio; or

any requirement for the creation or maintenance of reserves.

Consolidation, Merger, Sale, Conveyance and Lease

The indenture permits us to consolidate or merge with or into another entity, and to sell, convey or lease all or substantially all our property to another entity, only if certain conditions in the indenture are met including:

the successor entity, purchaser or lessee expressly assumes our obligations on the debt securities and under the indenture; and

we are not, or our successor is not, as the case may be, in default under any covenant or condition in the indenture immediately after giving effect to the consolidation, merger, sale, conveyance or lease. (Article Eight)

Table of Contents

Events of Default, Waiver and Notice

Event of Default when used with respect to a series of debt securities issued under the indenture will mean any of the following:

our failure to pay any interest on the debt securities of that series for a period of 10 days after the interest was due;

our failure to pay the principal on the debt securities of that series;

our failure to deposit any sinking fund payment on the debt securities of that series;

our failure to perform any other covenant or agreement in the indenture with respect to that series of debt securities, and the continuance of that failure for 90 days after the trustee or the holders of at least 25% of the aggregate principal amount of the debt securities of that series have given notice to us (and, in the case of a notice from the holders, the trustee) of such failure;

acceleration of any indebtedness of ours (1) with a principal amount of more than \$50,000,000, or (2) under any mortgage, indenture or other instrument that permits the incurrence by us of more than \$50,000,000 of indebtedness, in either case that is not discharged, rescinded or annulled within 10 days after the trustee or the holders of at least 25% of the debt securities of such series have given to us (and, in the case of a notice of the holders, the trustee) written notice of this default;

various events involving our bankruptcy, insolvency or reorganization; and

any other Event of Default established with respect to debt securities of that series. (Sections 2.5 and 4.1)

Within 90 days after the occurrence of a default, the trustee will give all holders of debt securities of the affected series notice of all defaults known to it. Except in the case of a default in the payment of principal, interest or any sinking fund installment, the trustee may withhold notice if and so long as it in good faith determines that withholding notice is in the interests of the holders. (Trust Indenture Act)

If an Event of Default with respect to any series of debt securities occurs and is continuing, either the trustee or the holders of at least 25% of the aggregate principal amount of the debt securities of that series may by written notice to us declare the principal (or, in the case of original issue discount debt securities, the portion specified in the applicable prospectus supplement) of the debt securities of that series and any accrued interest to be due and payable immediately. Once this has happened, subject to various conditions, the holders of a majority of the aggregate principal amount of the debt securities of that series can annul the declaration of acceleration and waive the past defaults, except that they cannot waive uncured defaults in the payment of principal, any premium or any interest. (Sections 4.1 and 4.9)

We must file on an annual basis with the trustee, among other things, a written statement of one of our officers regarding his knowledge of our compliance with all conditions and covenants under the indenture. (Trust Indenture Act)

The holders of at least a majority in aggregate principal amount of the debt securities of each series affected (with each series voting separately as a class) may direct the time, method and place of

Table of Contents

conducting any proceeding for any remedy available to the trustee, or exercising any trust or power given under the indenture to the trustee. (Section 4.8)

The trustee does not have to exercise any of its rights or powers at the direction of the holders of debt securities unless the holders offer the trustee reasonable security or indemnity against expenses and liabilities. (Section 5.1(d))

Defeasance

Defeasance and Discharge

The indenture provides that we will be discharged from any and all obligations with respect to the debt securities of any series (other than various obligations regarding transfer, exchange, cancellation of debt securities, destroyed, lost or stolen debt securities, temporary securities, offices for payment, paying agents and obligations with respect to the trustee) if we deposit with the trustee in trust money and/or U.S. government obligations that will provide enough money to pay the principal of, each installment of interest on, and any mandatory sinking fund payments with respect to, the debt securities of that series on the stated maturity of those payments in accordance with the terms of the indenture and those debt securities. (Section 12.2 and 12.4)

We may only establish this kind of trust if, among other things, we have delivered to the trustee an opinion of counsel stating that, due to an Internal Revenue Service ruling or a change in federal income tax law, holders of those debt securities will not recognize income, gain or loss for federal income tax purposes as a result of that deposit, defeasance and discharge and will be subject to federal income tax on the same amount, in the same manner and at the same times, as would have been the case if that deposit, defeasance and discharge had not occurred. (Section 12.4)

Defeasance of Certain Covenants and Certain Events of Default

The indenture provides that we may choose not to comply with the covenants described above under **Limitation on Liens** and **Limitations on Sales and Leasebacks** and with Section 4.1(d) of the indenture (described above in the fourth bullet point under **Events of Default, Waiver and Notice**) without triggering an Event of Default with respect to a particular series of debt securities, if we deposit with the trustee in trust money and/or U.S. government obligations which through the payment of interest and principal will provide enough money to pay the principal of, each installment of interest on, and any mandatory sinking fund payments with respect to, the debt securities of that series on the stated maturity of those payments in accordance with the terms of the indenture and those debt securities. Our other obligations under the indenture and those debt securities and other Events of Default will remain in full force and effect. (Section 12.3 and 12.4)

We may only establish this kind of trust if, among other things, we have delivered to the trustee an opinion of counsel stating that the holders of those debt securities will not recognize income, gain or loss for federal income tax purposes as a result of that deposit and defeasance of certain covenants and Events of Default and will be subject to federal income tax on the same amounts, in the same manner and at the same times, as would have been the case if that deposit and defeasance had not occurred. (Section 12.4)

If we exercise the option described in this section and the debt securities of the relevant series are declared due and payable because of the occurrence of any Event of Default (other than the Event of Default described above in the fourth bullet point under **Events of Default, Waiver and Notice**), the amount of money and U.S. government obligations on deposit with the trustee will be sufficient to pay

Table of Contents

amounts due on those debt securities at the time of their stated maturity but may not be sufficient to pay amounts due on those debt securities at the time of the acceleration resulting from that Event of Default.

Satisfaction and Discharge of the Indenture

The indenture generally will cease to be of any further effect with respect to a series of debt securities if:

we have paid the principal of and interest on all debt securities of that series (with certain limited exceptions) when these debt securities have become due and payable;

we have delivered to the trustee for cancellation all debt securities of that series (with certain limited exceptions); or