

Hyatt Hotels Corp  
Form S-3ASR  
August 04, 2011  
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As filed with the Securities and Exchange Commission on August 4, 2011

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

**FORM S-3**

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

**HYATT HOTELS CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**20-1480589**  
(I.R.S. Employer  
Identification Number)

**71 South Wacker Drive, 12<sup>th</sup> Floor**

**Chicago, Illinois 60606**

**(312) 750-1234**

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

**Harmit J. Singh**

**Executive Vice President, Chief Financial Officer**

**Hyatt Hotels Corporation**

**71 South Wacker Drive, 12<sup>th</sup> Floor**

**Chicago, Illinois 60606**

**(312) 750-1234**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

*With copies to:*

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Christopher D. Lueking  
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Cathy A. Birkeland  
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**Rena Hozore Reiss  
Executive Vice President,  
General Counsel and Secretary  
Hyatt Hotels Corporation  
71 South Wacker Drive, 12<sup>th</sup> Floor  
Chicago, Illinois 60606  
(312) 750-1234**

**Approximate date of commencement of proposed sale to the public:**

From time to time after the effective date of this Registration Statement.

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, please 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.

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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.

Large accelerated filer	x	Accelerated filer	"
Non-accelerated filer	"	Smaller reporting company	"

### CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Debt Securities	(1)	(1)	(1)	(2)
<p>(1) Omitted pursuant to General Instruction II.E. of Form S-3. An indeterminate aggregate initial offering price or number of debt securities is being registered as may from time to time be offered at indeterminate prices. Includes an indeterminate amount of debt securities as may be issued upon conversion of, or in exchange for or upon exercise of convertible, exchangeable or exercisable debt securities that provide for conversion, exchange or exercise into such securities of the Registrant. Separate consideration may or may not be received for any securities so issued.</p>				

(2) In reliance on and in accordance with Rules 456(b) and 457(r) of the Securities Act of 1933, as amended, the Registrant is deferring payment of all of the registration fee.

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PROSPECTUS

# Hyatt Hotels Corporation

## Debt Securities

We may, from time to time, offer to sell debt securities in one or more offerings. This prospectus describes some of the general terms that may apply to these securities. We will provide the specific terms of these securities in prospectus supplements to this prospectus.

We may offer and sell these debt securities to or through one or more underwriters, dealers and agents or directly to purchasers, on a continuous or delayed basis.

**Investing in our debt securities involves risks. You should consider the risk factors on page 1 of this prospectus and in any accompanying prospectus supplement or any documents we incorporate by reference.**

**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.**

Prospectus dated August 4, 2011

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**ABOUT THIS PROSPECTUS**

This prospectus is part of an automatic registration statement that we filed with the Securities and Exchange Commission ( SEC ) as a well-known seasoned issuer as defined in Rule 405 under the Securities Act of 1933, as amended ( Securities Act ), using a shelf registration process for the delayed offering and sale of securities pursuant to Rule 415 under the Securities Act. Under the shelf registration process, we may, from time to time, sell the debt securities described in this prospectus or in any applicable prospectus supplement in one or more offerings. You should read this prospectus and any accompanying prospectus supplement, as well as any post-effective amendments to the registration statement of which this prospectus is a part, together with the additional information described under the sections of this prospectus titled Where You Can Find More Information and Information Incorporated by Reference, before you make any investment decision.

This prospectus only provides you with a general description of the debt securities we may offer. We are responsible only for the information contained in this prospectus or incorporated by reference in this prospectus or to which we have referred you, including any prospectus supplement or free writing prospectus that we file with the SEC relating to this prospectus. We have not authorized any dealer, salesman or other person to provide you with information different from that contained in this prospectus or additional information. Each time we sell debt securities, we will provide a prospectus supplement that contains specific information about the terms of those debt securities. The prospectus supplement may also add, update or change information contained in this prospectus. To the extent that any statement made in a prospectus supplement is inconsistent with statements made in this prospectus, the statements made in this prospectus will be deemed modified or superseded by those made in the prospectus supplement. You should read both this prospectus and any prospectus supplement, together with the documents incorporated or deemed to be incorporated by reference in this prospectus and the additional information described below under the headings Where You Can Find More Information and Information Incorporated by Reference.

**TERMS USED IN THIS PROSPECTUS**

Unless we have indicated otherwise, or the context otherwise requires, references in this prospectus and any accompanying prospectus supplement to the terms we, us, our, the Company or Hyatt or other similar terms mean Hyatt Hotels Corporation and its consolidated subsidiaries. However, in the Description of Debt Securities section of this prospectus, we, our, us, Hyatt and the Company mean Hyatt Hotels Corporation only, and not any of its consolidated subsidiaries, unless context otherwise requires or as otherwise expressly stated.

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As used in this prospectus, the term:

Properties refers to hotels that we manage, franchise, own or lease and our residential and vacation ownership units that we develop, sell and manage;

Hyatt-branded refers to properties operated under our brands, including Park Hyatt, Andaz, Grand Hyatt, Hyatt Regency, Hyatt, Hyatt Place and Hyatt Summerfield Suites;

Residential ownership units refers to residential units that we manage, provide services to or license our trademarks with respect to (such as serviced apartments and Hyatt-branded residential units), some of which we own, that are part of mixed-use projects and are often adjacent to a Hyatt-branded full service hotel;

Vacation ownership units refers to the fractional and timeshare units that we develop, sell or manage that are part of the Hyatt Vacation Club, which is in the process of changing its name to Hyatt Residence Club; and

Hospitality ventures refers to entities in which we own less than a 100% equity interest.

As used in this prospectus, the term associates refers to the individuals working at our corporate and regional offices and our managed, franchised and owned properties, some of whom we employ directly and some of whom are employed by certain third-party owners and franchisees of our hotels.

**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus and any accompanying prospectus supplement, including the information we incorporate by reference herein or therein, contain forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended ( Exchange Act ). These statements include statements about plans, strategies, financial performance, prospects or future events and involve known and unknown risks that are difficult to predict. As a result, our actual results, performance or achievements may differ materially from those expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by the use of words such as may, could, expect, intend, plan, seek, anticipate, believe, estimate, predict, potential, continue, likely, of these terms and similar expressions, or the negative of these terms or similar expressions. Such forward-looking statements are necessarily based upon estimates and assumptions that, while considered reasonable by us and our management, are inherently uncertain. Important factors that may cause actual results to differ materially from current expectations include, but are not limited to:

the factors discussed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2010, under the sections titled Risk Factors in Part I, Item 1A and Management's Discussion and Analysis of Financial Condition and Results of Operations in Part II, Item 7, and the factors discussed in our most recent Quarterly Report on Form 10-Q, under the section titled Risk Factors in Part II, Item 1A;

the rate and the pace of economic recovery following the recent economic downturn;

levels of spending in business and leisure segments as well as consumer confidence;

declines in occupancy and average daily rate;

hostilities, including future terrorist attacks, or fear of hostilities that affect travel;

travel-related accidents;

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natural or man-made disasters such as earthquakes, tsunamis, tornados, hurricanes, floods and oil spills;

the seasonal and cyclical nature of the real estate and hospitality businesses;

changes in distribution arrangements, such as through internet travel intermediaries;

changes in the tastes and preferences of our customers;

relationships with associates and labor unions and changes in labor law;

financial condition of, and our relationships with, third-party property owners, franchisees and hospitality venture partners;

risks associated with potential acquisitions and dispositions and the introduction of new brand concepts;

changes in federal, state, local or foreign tax law;

increases in interest rates and operating costs;

fluctuations in currency exchange rates;

lack of acceptance of new brands or innovation;

general volatility of the capital markets and our ability to access the capital markets;

changes in the competitive environment in our industry and the markets where we operate;

outcomes of legal proceedings; and

violations of regulations or laws related to our franchising business.

These factors and the other risk factors described or incorporated by reference in this prospectus are not necessarily all of the important factors that could cause our actual results, performance or achievements to differ materially from those expressed in or implied by any of our forward-looking statements. Other unknown or unpredictable factors also could harm our business, financial condition, results of operations or cash flows.

All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements set forth above. Forward-looking statements speak only as of the date they are made, and we do not undertake or assume any obligation to update publicly any of these statements to reflect actual results, new information or future events, changes in assumptions or changes in other factors affecting forward-looking statements, except to the extent required by applicable laws. If we update one or more

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forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

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**THE COMPANY**

We are a global hospitality company with widely recognized, industry leading brands and a tradition of innovation developed over our more than fifty-year history. Our mission is to provide authentic hospitality by making a difference in the lives of the people we touch every day. We focus on this mission in pursuit of our goal of becoming the most preferred brand in each customer segment that we serve for our associates, guests and owners. We support our mission and goal by adhering to a set of core values that characterize our culture. We believe that our mission, goal and values, together with the strength of our brands, strong capital and asset base and opportunities for expansion, provide us with a platform for long-term value creation.

We manage, franchise, own and develop Hyatt-branded hotels, resorts and residential and vacation ownership properties around the world. Our full service hotels and resorts operate under five world-recognized brands, Park Hyatt, Andaz, Grand Hyatt, Hyatt Regency and Hyatt. Our two select service brands are Hyatt Place and Hyatt Summerfield Suites (an extended stay brand). We develop, sell or manage vacation ownership properties in select locations as part of the Hyatt Vacation Club, which is in the process of changing its name to Hyatt Residence Club. We also manage, provide services to or license our trademarks with respect to residential ownership units that are often adjacent to a Hyatt-branded full service hotel. We consult with third parties in the design and development of such mixed-use projects based on our expertise as a manager and owner of vacation ownership properties, residential properties and hotels. We primarily derive our revenues from hotel operations, management and franchise fees, other revenues from managed properties and sales of vacation ownership properties.

Our principal executive offices are located at 71 South Wacker Drive, 12<sup>th</sup> Floor, Chicago, Illinois 60606. Our telephone number is (312) 750-1234. Our website address is [www.hyatt.com](http://www.hyatt.com). The information on, or that may be accessed through, our website is not a part of this prospectus or any accompanying prospectus supplement.

Hyatt®, Park Hyatt®, Andaz®, Grand Hyatt®, Hyatt Regency®, Hyatt Place®, Hyatt Summerfield Suites®, Hyatt Vacation Club®, Hyatt Residence Club®, Hyatt Gold Passport®, Hyatt Resorts® and related trademarks, logos, trade names and service marks appearing in this prospectus are the property of Hyatt Corporation, a wholly owned subsidiary of Hyatt Hotels Corporation. All other trademarks, trade names or service marks appearing in this prospectus or any accompanying prospectus supplement are the property of their respective owners.

**RISK FACTORS**

Investment in our debt securities involves a high degree of risk. You should carefully consider the risks and uncertainties described under the heading **Risk Factors** in any applicable prospectus supplement and under the caption **Risk Factors** in any of our filings with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act that are incorporated herein by reference before you decide whether to purchase our debt securities. These risks could materially adversely affect our business, financial condition, results of operations and cash flows. As a result, the market price of our debt securities could decline, and you may lose part or all of your investment. For more information, see the sections of this prospectus titled **Where You Can Find More Information** and **Information Incorporated by Reference**.

**USE OF PROCEEDS**

Unless otherwise specified in a prospectus supplement accompanying this prospectus, we intend to use the net proceeds from the sale of debt securities to which this prospectus relates for general corporate purposes. General corporate purposes may include, among other uses, refunding, repurchasing, retiring upon maturity or redeeming existing debt; funding for working capital; capital expenditures; repurchases of our capital stock; and strategic investments and acquisitions.

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**RATIO OF EARNINGS TO FIXED CHARGES**

The following table sets forth the historical ratio of our earnings to our fixed charges for the periods indicated:

	Six Months Ended June 30,		Year Ended December 31,			
	2011	2010	2009	2008	2007	2006
Ratio of earnings to fixed charges <sup>(1)</sup>	2.3x	2.7x	<sup>(2)</sup>	2.6x	6.6x	8.9x

<sup>(1)</sup> For purposes of calculating the ratio of earnings to fixed charges, earnings represents pre-tax earnings before adjustments for income or loss from equity investees; and fixed charges include: interest (expensed and capitalized), amortized premiums, discounts and capitalized expenses related to indebtedness and the interest portion of rent expense that is deemed to be representative of the interest factor.

<sup>(2)</sup> We recorded a pre-tax loss from continuing operations of approximately \$51 million for the fiscal year ended December 31, 2009. As a result, earnings were insufficient to cover fixed charges by \$39 million for such year.

Please refer to the financial statements and financial information incorporated by reference in this prospectus for more information relating to the foregoing. See [Where You Can Find More Information](#) and [Information Incorporated by Reference](#).

**DESCRIPTION OF DEBT SECURITIES**

This prospectus describes certain general terms and provisions of our debt securities. When we offer to sell a particular series of debt securities, we will describe the specific terms of the series in a supplement to this prospectus. We will also indicate in the prospectus supplement whether the general terms and provisions described in this prospectus apply to a particular series of debt securities.

Unless otherwise specified in a supplement to this prospectus, the debt securities will be our direct, unsecured obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness.

The debt securities will be issued under an indenture, dated as of August 14, 2009, between us and Wells Fargo Bank, National Association, as trustee, as supplemented by a second supplemental indenture, dated as of August 4, 2011, between us and the trustee. We have summarized select portions of the indenture below. The summary is not complete. The indenture has been incorporated by reference as an exhibit to the registration statement and you should read the indenture for provisions that may be important to you. In the summary below, we have included references to the section numbers of the indenture so that you can easily locate these provisions. Capitalized terms used in the summary and not defined herein have the meanings specified in the indenture.

References in this section to we, our, us, Hyatt and the Company refer to Hyatt Hotels Corporation excluding, unless the context otherwise requires or as otherwise expressly stated, its consolidated subsidiaries.

**General**

The terms of each series of debt securities will be established by or pursuant to a Board Resolution, by a supplemental indenture or in an Officers Certificate and set forth or determined in the manner provided in a Board Resolution, by a supplemental indenture or in an Officers Certificate. (Section 2.02) The particular terms of each series of debt securities will be described in a prospectus supplement relating to such series (including any pricing supplement or term sheet).

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We can issue an unlimited amount of debt securities under the indenture that may be in one or more series with the same or various maturities, at par, at a premium, or at a discount, as may be set forth in a Board Resolution, a supplemental indenture or an Officers Certificate. We will set forth in a prospectus supplement (including any pricing supplement or term sheet) relating to any series of debt securities being offered, the aggregate principal amount and the following terms of the debt securities, if applicable:

the title of the debt securities;

any limit on the aggregate principal amount of the debt securities;

the date or dates on which we will pay the principal and any premium on the debt securities;

the rate or rates (which may be fixed or variable per annum) or the method used to determine the rate or rates at which the debt securities will bear interest, if any, the date or dates from which such interest, if any, will accrue, the interest payment dates on which such interest, if any, will be payable or the method by which such dates will be determined, the record dates for determining holders of the debt securities to whom such interest is payable and the basis upon which such interest will be calculated if other than that of a 360-day year of twelve 30-day months;

the currency of denomination of the debt securities, if other than the U.S. dollar, any places in addition to or instead of the offices of the trustee where the principal, premium and interest on the debt securities will be payable or the method of such payment;

the price or prices at which, the period or periods within which and the terms and conditions upon which we may redeem the debt securities;

whether the debt securities are to be issued in registered form or bearer form or both and, if the debt securities are to be issued in bearer form, whether coupons will be attached to them, whether debt securities in bearer form may be exchanged for debt securities issued in registered form, and the circumstances under which and the places at which any such exchanges, if permitted, may be made;

if the debt securities are to be issued in bearer form, whether certain additional interest payment or tax redemption provisions will apply, whether interest with respect to certain temporary debt securities in bearer form will be paid to any clearing organization and the terms and conditions applicable to such payment, and the terms upon which certain temporary debt securities may be exchanged for more definitive debt securities in bearer form;

any obligation we have to redeem, purchase or repay the debt securities pursuant to any sinking fund or analogous provisions or at the option of a holder of such debt securities and the prices, periods and terms and conditions upon which such debt securities shall be redeemed, repurchased or repaid;

the terms, if any, upon which the debt securities may be convertible into or exchanged for any of our stock, other debt securities or warrants and the terms and conditions upon which such conversion or exchange shall be effected, including the initial conversion or exchange price, rate or period;

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the denominations in which the debt securities will be issued, if other than denominations of \$2,000 and any integral multiple of \$1,000 in excess thereof;

if the amount of principal, premium or interest with respect to the debt securities may be determined with reference to an index or pursuant to a formula, the manner in which such amounts will be determined;

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if the principal amount payable at the maturity date of the debt securities will not be determinable on a date prior to such maturity date, the amount that will be deemed to be such principal amount as of any such date for any purpose and, if necessary, the manner of determining the equivalent thereof in U.S. dollars;

any changes to legal defeasance, covenant defeasance and satisfaction and discharge under the indenture;

if other than the principal amount, the portion of principal amount of the debt securities payable upon declaration of acceleration of the maturity date;

the terms, if any, of the transfer, mortgage, pledge or assignment as security for the debt securities of any collateral, including the applicability of any provisions of the Trust Indenture Act of 1939 and any corresponding changes to provisions of the indenture as then in effect;

any addition to or change in the Events of Default described in this prospectus or in the indenture which applies to the debt securities and any change in the right of the trustee or the holders of such debt securities to declare the principal amount of and any premium and interest on such debt securities due and payable pursuant to the acceleration provisions described in this prospectus or in the indenture;

whether the debt securities will be issued in the form of global debt securities, the terms and conditions, if any, upon which such global debt securities may be exchanged for definitive debt securities and the depositary and form of any legends for such global debt securities;

any trustee, authenticating agent, paying agent, transfer agent, service agent or registrar;

the applicability of, and any addition to or change in, the covenants described in this prospectus or in the indenture with respect to the debt securities;

with regard to debt securities that do not bear interest, the dates for certain required reports to the trustee;

the intended material U.S. federal income tax consequences of the debt securities;

the terms applicable to debt securities that provide for an amount less than the stated principal amount thereof, including the rates at which such original issue discount will accrue; and

any other terms of the debt securities (which terms are not prohibited by the provisions of the indenture). (Section 2.02)

In addition, the indenture does not limit our ability to issue convertible or subordinated debt securities. Any conversion or subordination provisions of a particular series of debt securities will be set forth in a Board Resolution, the Officers' Certificate or the supplemental indenture related to that series of debt securities and will be described in the relevant prospectus supplement. Such terms may include provisions for conversion, either mandatory, at the option of the holder or at our option, in which case the number of shares of common stock or other securities to be received by the holders of debt securities would be calculated as of a time and in the manner stated in the prospectus supplement.

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If we denominate the purchase price of any of the debt securities in a foreign currency or currencies or a foreign currency unit or units, or if the principal of and any premium and interest on any series of debt securities is payable in a foreign currency or currencies or a foreign currency unit or units, we will provide you with information on the restrictions, elections, material U.S. federal income tax considerations, specific terms and other information with respect to that issue of debt securities and such foreign currency or currencies or foreign currency unit or units in the applicable prospectus supplement.

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**Transfer and Exchange**

Each debt security will be represented by either one or more global securities registered in the name of The Depository Trust Company, as depository ( DTC ), or a nominee (we will refer to any debt security represented by a global debt security as a book-entry debt security ), or a certificate issued in definitive registered form (we will refer to any debt security represented by a certificated security as a definitive debt security ), as set forth in the applicable prospectus supplement. Except as set forth under the heading Global Debt Securities and Book-Entry System below, book-entry debt securities will not be issuable in definitive form.

***Definitive Debt Securities***

You may transfer or exchange definitive debt securities at any office we maintain for this purpose in accordance with the terms of the indenture. No service charge will be made for any transfer or exchange of definitive debt securities, but we may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with a transfer or exchange.

You may effect the transfer of definitive debt securities only by presenting the certificate representing those definitive debt securities to us, accompanied by a duly executed written instrument of transfer. You may effect the right to receive the principal of and premium and interest on definitive debt securities only by presenting or surrendering the certificate representing those definitive debt securities to us.

***Global Debt Securities and Book-Entry System***

Each book-entry debt security will be represented by one or more global debt securities in definitive, fully registered form without interest coupons. Each global debt security will be deposited with the trustee as custodian for DTC, as depository under the indenture, and registered in the name of DTC or a nominee of DTC in New York, New York for the accounts of institutions that have accounts with DTC ( participants ).

You may hold your interests in a global debt security directly through DTC if you are a DTC participant or indirectly through organizations that are DTC participants. Except in the limited circumstances described below, if you hold interests in global debt securities, you will not be entitled to receive your debt securities as definitive debt securities.

DTC has advised us as follows:

DTC 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 Federal Reserve System;

a clearing corporation within the meaning of the New York Uniform Commercial Code; and

a clearing agency registered pursuant to the provisions of Section 17A of the Exchange Act.

DTC was created to hold securities of its participants and to facilitate the clearance and settlement of securities transactions among its participants in such securities through electronic book-entry changes in accounts of the participants, thereby eliminating the need for physical movement of securities certificates. DTC's participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. Access to DTC's book-entry systems is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, whether directly or indirectly.

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We expect that, pursuant to the procedures established by DTC, upon the issuance of each global debt security, DTC will credit, on its book-entry registration and transfer system, the respective principal amount of your individual beneficial interest represented by the global debt security to the accounts of participants. Ownership of beneficial interests in each global debt security will be limited to participants or persons that may hold interests through participants. Your ownership of beneficial interests in each global debt security will be shown on, and the transfer of those ownership interests will be effected only through, records maintained by DTC (with respect to participants' interests) and such participants (with respect to the owners of beneficial interests in the global debt security other than participants).

So long as DTC, or its nominee, is the registered holder and owner of a global debt security, DTC or such nominee, as the case may be, will be considered the sole legal owner of the debt securities represented by the global debt security for all purposes under the indenture, the debt securities and applicable law. Except as set forth below, as an owner of beneficial interests in a global debt security, you will not be entitled to receive a definitive debt security, will not be entitled to have the debt securities represented by the global debt security registered in your name and will not be considered to be the owner or holder of any debt securities under the global debt security. We understand that under existing industry practice, in the event you desire to take any actions that DTC, as the holder of the global debt security, is entitled to take, DTC would authorize the participants to take such action, and that participants would authorize you to take such action or would otherwise act upon your instructions. As a beneficial owner of an interest in a global debt security, you will not be able to transfer the interest except in accordance with DTC's applicable procedures. Because DTC can only act on behalf of participants, who in turn act on behalf of others, your ability to pledge that interest to persons that do not participate in the DTC system, or otherwise to take actions in respect of that interest, may be impaired by the lack of a physical certificate of that interest.

We understand, however, that under existing industry practice, DTC will authorize the persons on whose behalf it holds a global debt security to exercise certain rights of holders of debt securities, and the indenture provides that we, the trustee and our respective agents will treat as the holder of a debt security the persons specified in a written statement of DTC with respect to that global debt security for purposes of obtaining any consents, declarations, waivers or directions required to be given by holders of the debt securities pursuant to the indenture. (Section 2.15(f))

All payments on book-entry debt securities registered in the name of and held by DTC or its nominee will be made to DTC or its nominee, as the case may be, as the registered owner and holder of the global debt securities. (Section 2.15(e))

We expect that DTC or its nominee, upon receipt of any payment of principal or interest in respect of a global debt security, will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the global debt security as shown on the records of DTC or its nominee. We also expect that payments by participants to you will be governed by standing instructions and customary practices, as is now the case with securities held for accounts of customers in the names of nominees for such customers. Such payments, however, will be the responsibility of such participants and indirect participants, and neither we, any agent of ours nor the trustee will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in any global debt security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests or for any other aspect of the relationship between DTC and its participants or the relationship between such participants and you.

Unless and until it is exchanged in whole or in part for definitive debt securities, no global debt security may be transferred except as a whole by DTC to a nominee of DTC or by a nominee of DTC to DTC or another nominee of DTC. Transfers between participants in DTC will be effected in the ordinary way in accordance with DTC rules and will be settled in same-day funds.

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We expect that DTC will take any action permitted to be taken by a holder of debt securities (including the presentation of debt securities for exchange as described below) only at the direction of one or more participants to whose account the DTC interests in a global debt security are credited and only in respect of such portion of the aggregate principal amount of the debt securities as to which such participant or participants has or have given such direction. However, if there is an event of default under the debt securities, DTC will exchange each global debt security for definitive debt securities, which it will distribute to its participants.

Although we expect that DTC will agree to the foregoing procedures in order to facilitate transfers of interests in book-entry debt securities among participants of DTC, DTC is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither we, any agent of ours nor the trustee will have any responsibility for the performance or nonperformance by DTC or their participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

The indenture provides that if:

DTC notifies us that it is unwilling or unable to continue as depository or if DTC ceases to be a clearing agency registered under the Exchange Act and we do not appoint a successor depository within 90 days; and

we execute and deliver to the trustee an Officers Certificate to the effect that the global debt securities are exchangeable pursuant to the indenture,

the global debt securities will be exchanged for definitive debt securities of like tenor and of an equal principal amount, in authorized denominations. (Section 2.15(b)) Such definitive debt securities will be registered in such name or names as DTC instructs the trustee. We expect that such instructions may be based upon directions received by DTC from participants with respect to ownership of beneficial interest in global debt securities.

We have obtained the information in this section concerning DTC and DTC's book-entry system from sources that we believe to be reliable, but neither we nor the trustee take responsibility for its accuracy.

***Euroclear and Clearstream***

If the depository for a global debt security is DTC, you may hold interests in the global debt security through Clearstream Banking, *société anonyme* ( Clearstream ), or Euroclear Bank S.A./N.V., as operator of the Euroclear System ( Euroclear ), in each case, as a participant in DTC. Euroclear and Clearstream will hold interests, in each case, on behalf of their participants through customers securities accounts in the names of Euroclear and Clearstream on the books of their respective depositories, which in turn will hold such interests in customers securities in the depositories names on DTC's books.

Payments, deliveries, transfers, exchanges, notices and other matters relating to the debt securities made through Euroclear or Clearstream must comply with the rules and procedures of those systems. Those systems could change their rules and procedures at any time. We have no control over those systems or their participants, and we take no responsibility for their activities. Transactions between participants in Euroclear or Clearstream, on the one hand, and other participants in DTC, on the other hand, would also be subject to DTC's rules and procedures.

You will be able to make and receive through Euroclear and Clearstream payments, deliveries, transfers, exchanges, notices and other transactions involving any securities held through those systems only on days when those systems are open for business. Those systems may not be open for business on days when banks, brokers and other institutions are open for business in the United States.

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In addition, because of time-zone differences, if you are a U.S. investor who holds your interests in the debt securities through these systems and wish on a particular day to transfer your interests, or to receive or make a payment or delivery or exercise any other right with respect to your interests, you may find that the transaction will not be effected until the next business day in Luxembourg or Brussels, as applicable. Thus, if you wish to exercise rights that expire on a particular day, you may need to act before the expiration date. In addition, if you hold your interests through both DTC and Euroclear or Clearstream, you may need to make special arrangements to finance any purchases or sales of your interests between the U.S. and European clearing systems, and those transactions may settle later than transactions within one clearing system.

### **No Protection in the Event of a Change of Control**

Unless we state otherwise in the applicable prospectus supplement, the debt securities will not contain any provisions which may afford holders of the debt securities protection in the event we have a change in control or in the event of a highly leveraged transaction (whether or not such transaction results in a change in control) which could adversely affect holders of debt securities.

### **Covenants**

#### ***Limitations on Liens***

The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create, assume or permit to exist, any Lien, other than Permitted Liens, on any Principal Property, or upon Capital Stock or Indebtedness issued by any Restricted Subsidiary and owned by the Company or any Subsidiary, now or hereafter acquired, to secure Indebtedness, without effectively providing concurrently that the debt securities are secured equally and ratably with such Indebtedness, for so long as such Indebtedness shall be so secured. (Section 4.07)

Permitted Liens means:

- (i) Liens existing on the date of the indenture;
- (ii) Liens in favor of the Company or a Restricted Subsidiary;
- (iii) Liens on any property existing at the time of the acquisition thereof;
- (iv) Liens on any property of a Person or its subsidiaries existing at the time such Person is consolidated with or merged into the Company or a Restricted Subsidiary, or Liens on any property of a Person existing at the time such Person becomes a Restricted Subsidiary;
- (v) Liens to secure all or part of the cost of acquisition (including Liens created as a result of an acquisition by way of Capital Lease), construction, development or improvement of the underlying property, or to secure Indebtedness incurred to provide funds for any such purposes; provided, that the commitment of the creditor to extend the credit secured by any such Lien shall have been obtained not later than 18 months after the later of (A) the completion of the acquisition, construction, development or improvement of such property and (B) the placing in operation of such property or of such property as so constructed, developed or improved;
- (vi) Liens securing industrial revenue, pollution control or similar bonds; and
- (vii) any extension, renewal or replacement (including successive extensions, renewals and replacements), in whole or in part, of any Lien referred to in any of clauses (i), (iii), (iv) or (v) of this definition of Permitted Liens that would not otherwise be permitted pursuant to any of clauses (i) through (vi), to the extent that (A) the principal amount of Indebtedness secured

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thereby and not otherwise permitted to be secured pursuant to any of clauses (i) through (vi) of this definition of Permitted Liens does not exceed the principal amount of Indebtedness, plus

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any premium or fee payable in connection with any such extension, renewal or replacement, so secured at the time of any such extension, renewal or replacement, except that where (1) the Indebtedness so secured at the time of any such extension, renewal or replacement was incurred for the sole purpose of financing a specific project and (2) additional Indebtedness is to be incurred in connection with such extension, renewal or replacement solely to finance the completion of the same project, the additional Indebtedness may also be secured by such Lien; and (B) the property that is subject to the Lien serving as an extension, renewal or replacement is limited to some or all of the property that was subject to the Lien so extended, renewed or replaced.

Notwithstanding the restrictions described above, the Company and its Restricted Subsidiaries may, directly or indirectly, create, assume or permit to exist any Lien that would otherwise be subject to the restrictions set forth in the first paragraph of this section without equally and ratably securing the debt securities if, at the time of such creation, assumption or permission, after giving effect thereto and to the retirement of any Indebtedness which is concurrently being retired, the aggregate principal amount of outstanding Indebtedness secured by Liens which would otherwise be subject to such restrictions (not including Permitted Liens) plus all Attributable Indebtedness of the Company and its Restricted Subsidiaries in respect of Sale and Leaseback Transactions with respect to any Principal Property (not including such transactions described under any of clauses (i) through (v) as set forth below under Sale and Leaseback Transactions ), does not exceed 15% of Consolidated Net Tangible Assets.

***Sale and Leaseback Transactions***

The Company will not, and will not permit any Restricted Subsidiary to, enter into any Sale and Leaseback Transaction with respect to any Principal Property unless:

- (i) the Sale and Leaseback Transaction is solely with the Company or another Subsidiary;
- (ii) the lease in such Sale and Leaseback Transaction is for a period not in excess of three years, including renewal rights;
- (iii) the lease in such Sale and Leaseback Transaction secures or relates to industrial revenue, pollution control or similar bonds;
- (iv) the Sale and Leaseback Transaction is entered into prior to or within 18 months after the purchase or acquisition of the Principal Property which is the subject of such Sale and Leaseback