

UTAH MEDICAL PRODUCTS INC
Form S-3/A
October 25, 2012

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

AMENDMENT NO. 2 TO
FORM S-3
REGISTRATION STATEMENT UNDER
THE SECURITIES ACT OF 1933

UTAH MEDICAL PRODUCTS, INC.
(Exact name of registrant as specified in its charter)

Utah
(State or other jurisdiction of
incorporation or organization)

87-0342734
(I.R.S. Employer Identification
Number)

7043 South 300 West
Midvale, Utah 84047
Telephone: (801) 566-1200
(Address, including zip code, and telephone number, including area
code, of registrant's principal executive offices)

Kevin L. Cornwell, Chief Executive Officer
Utah Medical Products, Inc.
7043 South 300 West
Midvale, Utah 84047
Telephone: (801) 566-1200
(Name, address, including zip code, and telephone number, including
area code, of agent for service)

Copy to:

James R. Kruse
Kruse Landa Maycock & Ricks, LLC
136 East South Temple, Twenty-First Floor
Salt Lake City, Utah 84111
Telephone: (801) 531-7090

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Approximate date of commencement of proposed sale to the public: From time to time after the effectiveness of this registration statement as determined by market conditions.

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. "

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 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(1)	Proposed maximum offering price per unit(2)	Proposed maximum aggregate offering price(1)	Amount of registration fee(1)
Common stock, \$0.01 par value	(2)	--	(2)	(2)
Preferred stock, \$0.01 par value	(2)	--	(2)	(2)
Warrants	(2)	--	(2)	(2)
Senior Debt Securities	(2)	--	(2)	(2)
Subordinated Debt Securities	(2)	--	(2)	(2)
Preferred share purchase rights(3)	(4)	--	(4)	(4)
Total	\$ 36,000,000	--	\$ 36,000,000	\$ 196 5)

(1) This registration statement covers such indeterminate principal amount or number of shares of common stock and preferred stock, senior and subordinated debt securities, and number of warrants of the registrant with an aggregate initial offering price not to exceed \$36,000,000. The securities registered hereunder are to be issued from time to time and at prices to be determined. Any securities registered under this registration statement may be sold separately or as units with other securities registered under this registration statement. The securities registered hereunder also include: (i) an indeterminate number of

shares of common stock or preferred stock, number of warrants, and principal amount of senior and subordinated debt securities as may, from time to time, be issued upon conversion or exchange of any preferred stock, warrants, or senior or subordinated debt securities registered hereunder, for which no separate consideration will be payable; and (ii) securities that may be purchased by underwriters to cover over-allotments, if any.

- (2) Omitted pursuant to General Instruction II(D) of Form S-3 under the Securities Act of 1933, as amended (the "Securities Act").
- (3) Each share of the registrant's common stock registered under this registration statement, if issued prior to the termination of the registrant's rights agreement, dated as of July 30, 2004, as amended, between the registrant and the rights agent named therein, includes Series A Participating Preferred Stock purchase rights (the "Rights"). Prior to the occurrence of certain events, the Rights will not be exercisable or evidenced separately from the registrant's common stock and have no value except as reflected in the market price of the shares of the registrant's common stock to which they are attached.
- (4) The Rights will be issued for no additional consideration and, therefore, no additional registration fee is required.
- (5) Calculated pursuant to Rule 457(o) under the Securities Act. Pursuant to the notes for the calculation of the registration fee of Form S-3 and Rule 457(p), the registration fee of \$3,930 respecting the \$100,000,000 in unsold securities registered on Form S-3, SEC File No. 333-153361, was previously paid and is carried forward, leaving a balance of \$195.60. \$229.20 was paid with the initial filing of this registration statement.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT THAT SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933, AS AMENDED, OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SECURITIES AND EXCHANGE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(A), MAY DETERMINE.

Subject to Completion, Dated October 25, 2012

The information in this preliminary prospectus is not complete and may be changed. We may not sell any of the securities being registered until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities, and it is not soliciting offers to buy these securities, in any jurisdiction where the offer or sale is not permitted.

PRELIMINARY PROSPECTUS

UTAH MEDICAL PRODUCTS, INC.

—————
\$36,000,000

Common Stock, Preferred Stock, Warrants,
Senior Debt Securities, and Subordinated Debt Securities
—————

We may offer common stock, preferred stock, warrants, senior debt securities, and subordinated debt securities consisting of a combination of any of these securities at an aggregate initial offering price not to exceed \$36,000,000. The debt securities that we may offer may consist of senior debt securities or subordinated debt securities, in each case consisting of notes or other evidence of indebtedness in one or more series. The warrants that we may offer will consist of warrants to purchase any of the other securities that may be sold under this prospectus. The securities offered under this prospectus may be offered separately, together, or in separate series, and in amounts, at prices, and on terms to be determined at the time of sale. A prospectus supplement that will set forth the terms of the offering of any securities will accompany this prospectus. You should read this prospectus and any supplement carefully before you invest.

Our common stock is quoted on the NASDAQ Global Market under the symbol "UTMD." On October 24, 2012, the closing price of our common stock was \$33.30 per share. As of the date of this prospectus, none of the other securities that we may offer by this prospectus is listed on any national securities exchange or automated quotation system.

You should refer to the risk factors included in the periodic reports and other information that are on file with the Securities and Exchange Commission and carefully consider that information before buying our securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

—————
This prospectus may not be used to consummate the sale of any securities unless accompanied by a prospectus supplement relating to the securities offered.

The date of this prospectus is _____, 2012.

You should rely only on the information contained in this prospectus and the accompanying prospectus supplement, including the information incorporated by reference herein as described under “Information Incorporated by Reference.” We have not authorized anyone to provide you with information different from that contained in or incorporated by reference into this prospectus and the accompanying prospectus supplement. This prospectus and the accompanying prospectus supplement may be used only for the purposes for which they have been published, and no person has been authorized to give any information not contained in, or incorporated by reference into, this prospectus and the accompanying prospectus supplement. If you receive any other information, you should not rely on it.

The information contained in this prospectus and the accompanying prospectus supplement is accurate only as of the dates on the cover pages of this prospectus or the accompanying prospectus supplement, as applicable. The information incorporated by reference into this prospectus or the accompanying prospectus supplement is accurate only as of the date of the document incorporated by reference. Any statement made in this prospectus, the accompanying prospectus supplement, or in a document incorporated or deemed to be incorporated by reference in this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus, the accompanying prospectus supplement, or in any other subsequently filed document that is also incorporated or deemed to be incorporated by reference in this prospectus modifies or supersedes that statement. Any statement so modified or superseded will be deemed to constitute a part of this prospectus only to the extent so modified or superseded. See “Information Incorporated by Reference.”

We are not making an offer of these securities in any jurisdiction where the offer is not permitted.

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement on Form S-3 that we filed with the Securities and Exchange Commission, which we refer to as the SEC, using a “shelf” registration, or continuous offering, process. Under this shelf registration process, we may issue and sell any combination of the securities described in this prospectus in one or more offerings with a maximum aggregate offering price of up to \$36,000,000.

This prospectus provides you with a general description of the securities we may offer. Each time we sell securities under this shelf registration, we will provide a prospectus supplement that will contain specific information about the terms of that offering, including a description of any risks relating to the offering if those terms and risks are not described in this prospectus. A prospectus supplement may also add, update, or change information contained in this prospectus. If there is any inconsistency between the information in this prospectus and the applicable prospectus supplement, you should rely on the information in the prospectus supplement. The registration statement we filed with the SEC includes exhibits that provide more details of the matters discussed in this prospectus. You should read this prospectus and the related exhibits filed with the SEC and the accompanying prospectus supplement together with additional information described under the headings “Available Information” and “Information Incorporated by Reference” before investing in any of the securities offered.

We may sell securities to or through underwriters or dealers and also may sell securities directly to other purchasers or through agents. To the extent not described in this prospectus, the names of any underwriters, dealers, or agents employed by us in the sale of the securities covered by this prospectus, the principal amounts or number of shares or other securities, if any, to be purchased by such underwriters or dealers, and the compensation, if any, of such underwriters, dealers, or agents will be set forth in an accompanying prospectus supplement.

Unless the context otherwise requires, all references in this prospectus to “us,” “our,” “we,” “the “Company,” or other similar terms are to Utah Medical Products, Inc.

AVAILABLE INFORMATION

We are a public company and are required to file annual, quarterly and current reports, proxy statements, and other information with the SEC pursuant to the Securities Exchange Act of 1934, as amended, or the Exchange Act. You may read and copy any document we file at the SEC’s Public Reference Room at 100 F Street NE, Washington, D.C. 20549. You can request copies of these documents by writing to the SEC and paying a fee for the copying cost. Please call the SEC at 1-800-SEC-0330 for more information about the operation of the public reference room. Our SEC filings are also available to the public on the SEC’s website at <http://www.sec.gov>. In addition, because our stock is listed for trading on the NASDAQ Global Market, you can read and copy reports and other information concerning us at the offices of the NASDAQ Stock Market located at One Liberty Plaza, 165 Broadway, New York, NY 10006.

We filed a registration statement on Form S-3 under the Securities Act with the SEC respecting the securities being offered pursuant to this prospectus. This prospectus is only part of the registration statement and omits certain information contained in the registration statement, as permitted by the SEC. You should refer to the registration statement, including the exhibits, for further information about us and the securities being offered pursuant to this prospectus. Statements in this prospectus regarding the provisions of certain documents filed with, or incorporated by reference in, the registration statement are not necessarily complete and each statement is qualified in all respects by that reference. You may:

- inspect a copy of the registration statement, including the exhibits and schedules, without charge at the SEC’s Public Reference Room;
- obtain a copy from the SEC upon payment of the fees prescribed by the SEC; or
- obtain a copy from the SEC website.

General information, financial news releases, and filings with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and all amendments to these reports, are available free of charge on the SEC’s website at www.sec.gov. We are not including the information contained on our website as part of, or incorporating it by reference into, this prospectus.

THE COMPANY

Utah Medical Products, Inc., produces high quality, cost-effective medical devices that are predominantly proprietary, disposable, and for hospital use. We believe success depends on (1) recognizing needs of clinicians and patients; (2) rapidly designing or acquiring economical solutions that gain premarketing regulatory concurrence; (3) reliably producing products that meet those clinical needs, and then (4) selling through:

- (a) our own direct channels into markets where we enjoy an established reputation and have a critical mass of sales and support resources, or
- (b) establishing relationships with other medical companies that have the resources to effectively introduce and support our products.

We manufacture and market products in four general categories: (1) gynecology/electrosurgery/ urology, which accounted for approximately 51% of 2011 revenues, comprised of tools for gynecological procedures associated with cervical/uterine disease, including LETZ, endometrial sampling, transvaginal uterine sonography, diagnostic laparoscopy, and other minimally invasive surgical procedures; female surgical contraception (tubal ligation); specialty excision and incision tools; conservative urinary incontinence therapy devices; and urology tools; (2) obstetrics, which accounted for approximately 15% of 2011 revenues, comprised of labor and delivery management tools for monitoring fetal and maternal well-being, for reducing risk in performing difficult delivery procedures, and for improving clinician and patient safety; (3) neonatal care, which accounted for approximately 18% of 2011 revenues, comprised of devices that provide developmental-friendly care to the most critically ill babies, including providing vascular access and enteral feeding, administering vital fluids, maintaining a neutral thermal environment, providing protection, and assisting in specialized applications; and (4) blood pressure monitoring/accessories/other, which accounted for approximately 16% of 2011 revenues, comprised of specialized components as well as molded parts sold on an OEM (original equipment manufacturer) basis to other companies.

In these four categories, our primary revenue contributors enjoy a significant market share and may have differentiated product features protected by patents.

Of our 2011 international revenues, approximately 68% were derived from gynecology, electrosurgery, and urology sales; 21% were derived from blood pressure monitoring and accessories sales; 7% were derived from neonatal care; and 4% were derived from obstetrics.

We were formed as a Utah corporation in 1978. We publicly raised equity capital one time in 1982. In 1994, we acquired all of the tangible and intangible assets of OB Tech, Inc., a Huntington Beach, California company, the original owner of the Cordguard(R) concept. In 1995, Utah Medical Products Ltd., a wholly owned subsidiary located in Ireland, was formed to establish an international manufacturing capability. In 1997, we purchased Columbia Medical, Inc., a Redmond, Oregon company specializing in silicone injection molding, assembly, and marketing of vacuum-assisted obstetrical delivery systems. In 1998, we acquired the neonatal product line of Gesco International, a subsidiary of Bard Access Systems and C.R. Bard, Inc. On March 8, 2000, we returned to the NASDAQ Stock Market after trading on the New York Stock Exchange for about three years. We were previously listed on NASDAQ for 14 years. In 2004, we acquired Abcorp, Inc., our supplier of fetal monitoring belts. In March 2011, we acquired Femcare Holdings Limited, which manufactures and sells the Filshie Clip System, a female surgical contraception device (tubal ligation) placed on the fallopian tubes.

Our corporate offices are located at 7043 South 300 West, Midvale, Utah 84047 USA. The corporate telephone number is (801) 566-1200. Ireland operations are located at the Athlone Business and Technology Park, Athlone, County Westmeath, Ireland. The telephone number in Ireland is 353 (90) 647-3932. Femcare's UK headquarters are located at Stuart Court, Spursholt Place, Salisbury Road, Romsey, Hampshire, UK. The UK phone number is 44 (179) 452-5100.

For additional information concerning our business and affairs, please refer to the documents incorporated by reference that are listed under the caption "Information Incorporated by Reference."

FORWARD-LOOKING STATEMENTS

Statements included or incorporated by reference in this prospectus include both historical and "forward-looking" statements under federal securities laws. These statements are based on current expectations and projections about future results and include the discussion of our business strategies and expectations concerning future operations, margins, profitability, liquidity, and capital resources. In addition, in certain portions of this prospectus, the documents incorporated by reference, and any prospectus supplement, the words "anticipate," "believe," "estimate," "may," "expect," "plan," "intend," and similar expressions, as they relate to us or our management, are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause the actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by these forward-looking statements. These statements are based upon the beliefs and assumptions of, and on information available to, our management. Although we have attempted to identify important factors that could cause the actual results to differ materially, there may be other factors that cause the forward-looking statement not to come true as anticipated, believed, projected, expected, or intended. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may differ materially from those described herein as anticipated, believed, projected, estimated, expected, or intended. The estimates and assumptions that we use in the preparation of our financial statements are subject to change and are not intended to be relied upon as predictions of future operating results, and we assume no obligation to update or disclose revisions to those estimates.

Factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements include, but are not limited to, those referred to under "Risk Factors." Unless required by law, we do not assume any obligation to update forward-looking statements based on unanticipated events or changed expectations. However, you should carefully review the reports and documents we file from time to time with the SEC, particularly our annual reports on Form 10-K, quarterly reports on Form 10-Q, and any current reports on Form 8-K.

RISK FACTORS

An investment in our securities involves risks. You should carefully consider the risk factors incorporated by reference to our Annual Report on Form 10-K for the fiscal year ended December 31, 2011, our Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2012 and June 30, 2012, and the other information contained in this prospectus, as updated by our subsequent filings under the Exchange Act, and the risk factors and other information contained in the applicable prospectus supplement before acquiring any of our securities.

USE OF PROCEEDS

Unless otherwise indicated in an accompanying prospectus supplement, the net proceeds from the sale of the securities offered hereby will be used for general corporate purposes, which may include working capital, capital expenditures, development costs, strategic investments, and possible acquisitions. We have not allocated any portion of the net proceeds for any particular use at this time. The net proceeds may be invested temporarily until they are used for their stated purpose. Specific information concerning the use of proceeds from the sale of any securities will be included in the prospectus supplement relating to such securities.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our historical ratio of earnings to fixed charges and ratio of earnings to combined fixed charges for the periods indicated. We had no preferred stock outstanding and did not pay preferred stock dividends during these periods.

	Six Months Ended June 30, 2012	2011	Year Ended December 31,			
			2010	2009	2008	2007
Ratio of earnings to fixed charges	19.5	12.9	162.3	90.3	43.2	37.9

The ratio of earnings to fixed charges has been computed on a consolidated basis. Earnings consists of pre-tax income from continuing operations before fixed charges, amortization of capitalized interest, and minority interest minus interest capitalized. Fixed charges consist of the sum of interest expensed and capitalized, amortized premiums, discounts, and capitalized expenses relating to indebtedness, and an estimate of the interest within rental expense.

DESCRIPTION OF CAPITAL STOCK

The following description of our common stock and our preferred stock is a summary. You should refer to our articles of incorporation and our bylaws for the actual terms of our capital stock.

Common Stock

We are authorized to issue 50,000,000 shares of common stock, \$0.01 par value. On October 24, 2012 there were 3,680,000 outstanding shares of our common stock. Holders of our common stock are entitled to one vote per share on all matters submitted to a vote of stockholders and may not cumulate votes for the election of directors. Common stockholders have the right to receive dividends when, as, and if declared by the board of directors from funds legally available therefor. Holders of common stock have no preemptive rights and have no rights to convert their common stock into any other securities.

Preferred Stock

We are authorized to issue up to 5,000,000 shares of preferred stock, \$0.01 par value. As of October 25, 2012, there were no preferred shares issued or outstanding. The shares of preferred stock have such rights and preferences as our board of directors shall determine from time to time. Our common stock is subject to the express terms of our preferred stock and any series thereof. The issuance of preferred stock, while providing desirable flexibility in connection with possible acquisition and other corporate purposes, could have the effect of making it more difficult for a third party to acquire, or discourage a third party from acquiring, a majority of our outstanding common stock. Our board of directors may issue preferred stock with voting and conversion rights that could adversely affect the voting power of the holders of our common stock. There are no current agreements or understandings for the issuance of preferred stock, and our board of directors has no present intention to issue any shares of preferred stock.

If we offer a series of preferred stock, we will describe the specific terms of that series in a prospectus supplement, including:

- the title of the series of preferred stock and the number of shares offered;
- the price at which the preferred stock will be issued;
- the dividend rate, if any, the dates on which the dividends will be payable, and other terms relating to the payment of dividends on the preferred stock;
- the voting rights of the preferred stock;
- whether the preferred stock is redeemable or subject to a sinking fund, and the terms of any such redemption or sinking fund;
- whether the preferred stock is convertible into any other securities, and the terms and conditions of any such conversion;
- the liquidation preference of the preferred stock; and
- any additional rights, preferences, and limitation of the preferred stock.

The description of the terms of a series of preferred stock to be set forth in an applicable prospectus supplement will not be complete and will be subject to, and qualified in its entirety by reference to, the certificate of designation relating to that series of preferred stock. The registration statement of which this prospectus forms a part will include the certificate of designation as an exhibit or as a document incorporated by reference.

Any preferred stock will, when issued, be fully paid and nonassessable.

Series A Participating Preferred Stock

We are authorized to issue 500,000 shares of Series A Participating Preferred Stock, par value \$0.01. Such preferred stock is nonredeemable and subordinate to any other series of our preferred stock that may at any time be issued. We currently do not have any preferred stock outstanding. The Series A Participating Preferred Stock is authorized for issuance pursuant to the preferred stock purchase rights that trade with the common stock, as described below. Each share of Series A Participating Preferred Stock is entitled to receive, when, as and if declared, a dividend in an amount equal to 100 times the cash dividend declared on each share of common stock and 100 times any noncash dividends

declared with respect to each share of common stock, in like kind, other than a dividend payable in shares of common stock. In the event of liquidation, the holder of each share of Series A Participating Preferred Stock shall be entitled to receive a liquidation payment in an amount equal to 100 times the liquidation payment made per share of our common stock. Each share of Series A Participating Preferred Stock has 100 votes, voting together with the common stock and not as a separate class, unless otherwise required by law or our articles of incorporation. In the event of any merger, consolidation, or other transaction in which shares of our common stock are exchanged, each share of Series A Participating Preferred Stock is entitled to receive 100 times the amount received per share of our common stock.

Each share of our common stock includes one right (a Right) that entitles the registered holder to purchase from us one one-hundredth (1/100) of a share of Series A Participating Preferred Stock at an exercise price of \$100 per Right, subject to adjustment to prevent dilution. Initially the Rights will not be exercisable, certificates for the Rights will not be issued, and unless and until the Rights become exercisable, they will be transferred with and only with the shares of common stock. The Rights are exercisable on the separation date, which will occur on the earlier of: (i) 10 calendar days following a public announcement that certain persons or groups have acquired 20% or more of our outstanding voting shares; (ii) 10 calendar days following the commencement or public announcement of the intent of any person to acquire 20% or more of our outstanding voting shares; or (iii) such later date as may be fixed by the board of directors. Following the separation date, certificates representing the Rights will be mailed to holders of record of common stock and thereafter such certificates alone will evidence the Rights. If any person acquires more than 20% of our outstanding common stock or we engage in certain business combinations, other than pursuant to a tender or exchange offering for all shares of common stock approved by the board of directors, the Rights become exercisable for common stock, in lieu of Series A Participating Preferred Stock, by paying one half of the exercise price of the Right for a number of shares of our common stock having an aggregate market price equal to such exercise price. Any Rights that are or were beneficially owned by a person that has acquired 20% or more of the outstanding common stock will become void.

We may redeem the Rights at \$0.01 per Right at any time until 10 business days after public announcement that a person has acquired 20% or more of the outstanding shares of our common stock, provided that the redemption is approved by our Rights Redemption Committee, a committee consisting of at least three continuing directors, a majority of whom are not our employees. The Rights will expire on October 28, 2014, unless earlier redeemed by us. Unless the Rights have been previously redeemed, all shares of common stock issued by us will include Rights. As long as the Rights are redeemable, the Rights Redemption Committee without further stockholder approval may, except with respect to the exercise price or expiration date of the Rights, amend the Rights in any matter that, in the opinion of the board of directors, does not materially adversely affect the interests of holders of the Rights.

The stockholders' Rights Agreement contemplates that we will reserve a sufficient number of authorized but unissued shares of common stock to permit the exercise in full of the Rights granted to the current stockholders should these Rights become exercisable.

Transfer Agent and Registrar

The transfer agent and registrar for our stock is Registrar and Transfer Company, 10 Commerce Street, Cranford, New Jersey 07016, and can be reached at (800) 368-5948.

DESCRIPTION OF WARRANTS

General Description of Warrants

We may issue warrants for the purchase of debt securities, preferred stock, or common stock, or any combination of these securities. Warrants may be issued independently or together with other securities and may be attached to, or separate from, any offered securities. Each series of warrants will be issued under a separate warrant agreement to be entered into between a warrant agent and us. The warrant agent will act solely as our agent in connection with the warrants and will not have any obligation or relationship of agency or trust for or with any holders or beneficial owners of warrants. The following outlines some of the general terms and provisions of the warrants that we may issue from time to time. Additional terms of the warrants and the applicable warrant agreement will be set forth in the applicable prospectus supplement. The following description, and any description of the warrants included in a prospectus supplement, may not be complete and is subject to and qualified in its entirety by reference to the terms and provisions of the applicable warrant agreement, which we will file with the SEC in connection with any offering of warrants.

Debt Warrants

The prospectus supplement relating to a particular issue of warrants exercisable for debt securities will describe the terms of those warrants, including the following:

- the title of the warrants;
- the offering price for the warrants, if any;
- the aggregate number of the warrants;
- the designation and terms of the debt securities purchasable upon exercise of the warrants;
- if applicable, the designation and terms of the securities that the warrants are issued with and the number of warrants issued with each security;
- if applicable, the date from and after which the warrants and any securities issued with the warrants will be separately transferable;
- the principal amount and price of debt securities that may be purchased upon exercise of a warrant;
- the dates on which the right to exercise the warrants commences and expires;