CONSTELLATION BRANDS, INC.
Form 424B3
August 06, 2012
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Information contained in this prospectus supplement and the accompanying prospectus is not complete and may be changed. This prospectus supplement and the accompanying prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

Filed Pursuant to Rule 424(b)(3)
Registration No. 333-179266

SUBJECT TO COMPLETION, DATED AUGUST 6, 2012

PROSPECTUS SUPPLEMENT

(To Prospectus Dated August 6, 2012)

$650,000,000

% Senior Notes due 2023

The Company:

We are the world s leading premium wine company with a broad portfolio of consumer-preferred premium wine brands complemented by premium spirits, imported beer and other select beverage alcohol products.

The Offering:

Use of Proceeds: We intend to use the net proceeds from this offering of the Senior Notes due 2023, which we refer to as the notes, together with additional borrowings under our senior credit facility and available cash, to finance our pending acquisition of the 50% membership interest in Crown Imports LLC not already owned by us, which we refer to as the Crown Acquisition, or, if we are unable to finance the entire Crown Acquisition, towards the purchase of at least one-half of the 50% membership interest we do not already own, which we refer to as the Alternate Crown Acquisition. The facilities under our senior credit agreement, as amended, refinanced, extended, substituted, replaced or renewed from time to time, are referred to collectively as our senior credit facility.

The Notes:

Issuer: Constellation Brands, Inc.

Maturity: The notes will mature on March 1, 2023.

Interest Payments: The notes will pay interest semi-annually in cash in arrears on March 1 and September 1 of each year, commencing March 1, 2013.

Guarantees: Certain of our existing and future subsidiaries will guarantee the notes on a senior unsecured basis to the extent and for so long as such entities guarantee our senior credit facility.

Ranking: The notes will rank equally in right of payment with all of our existing and future unsecured senior indebtedness, senior in right of payment to any indebtedness that is expressly subordinated to the notes, and effectively subordinated in right of payment to our secured indebtedness to the extent of the value of the assets securing such indebtedness, including all borrowings under our senior credit facility.

Optional Redemption: The notes may be redeemed, in whole or in part at a price equal to 100% of the principal amount thereof, together with accrued and unpaid interest to the redemption date, plus a make-whole premium.

Escrow Arrangement/Special Mandatory Redemption: An amount equal to the aggregate public offering price of the notes will be placed in an escrow account. The escrowed funds will be released to fund a portion of the Crown Acquisition or the Alternate Crown Acquisition. If, however, the Membership Interest Purchase Agreement relating to the Crown Acquisition is terminated and the transactions contemplated thereby are abandoned or if neither the Crown Acquisition nor the Alternate Crown Acquisition has been consummated on or prior to December 30, 2013, all of the notes will be redeemed at a price equal to 100% of the aggregate public offering price thereof, together with accrued and unpaid interest (and, if applicable, the accreted portion of any original issue discount) to the date of the special mandatory redemption. We will not prefund interest or original issue discount that may accrete on the notes into the escrow account.

Change of Control: If we experience specific kinds of changes of control, we must offer to repurchase all of the notes at 101% of their principal amount, plus accrued and unpaid interest, if any, to the repurchase date.

This investment involves risks. See Risk Factors beginning on page S-11.

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

	Per Senior Note	Total
Public Offering Price [1]	%	$
Underwriting Discount	%	$
Proceeds to Constellation Brands (before expenses)	%	$

(1) Plus accrued interest from , 2012.

The notes will be ready for delivery in book-entry form only through The Depository Trust Company on or about , 2012.

Joint Book Running Managers

BofA Merrill Lynch

J.P. Morgan

Rabo Securities

Barclays

Wells Fargo Securities

Co-Managers

HSBC **Mitsubishi UFJ Securities**

, 2012

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You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or documents to which we otherwise refer you. We have not, and the underwriters have not, authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information appearing in this prospectus supplement, the accompanying prospectus and any document incorporated by reference is accurate as of any date other than the date on the front cover of the applicable document. Our business, financial condition, results of operations and prospects may have changed since that date.

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Prospectus Supplement

Prospectus

Unless otherwise indicated or the context requires otherwise, references to we, us, our and the Company refer collectively to Constellation Brands, Inc. and its subsidiaries except that in the sections entitled Prospectus Supplement Summary The Offering and Description of the Notes and the Guarantees such terms refer only to Constellation Brands, Inc. and not any of its subsidiaries.

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WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission, or the SEC. You may read and copy any document we file with the SEC at the SEC s Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may obtain further information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Our SEC filings are also available to the public over the Internet at the SEC s website at http://www.sec.gov. Our class A and class B common stock are listed on the New York Stock Exchange, and you may inspect our SEC filings at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

The SEC allows us to incorporate by reference into this prospectus supplement the information we file with the SEC, which means that we can disclose important information to you by referring you to previously filed documents. The information incorporated by reference is considered to be part of this prospectus supplement, unless we update or supersede that information by the information contained in this prospectus supplement or by information that we file subsequently that is incorporated by reference into this prospectus supplement.

We incorporate by reference into this prospectus supplement the following documents or information filed with the SEC (other than, in each case, documents or information deemed to have been furnished and not filed in accordance with SEC rules):

- Annual Report on Form 10-K for the fiscal year ended February 29, 2012 filed on April 30, 2012;
- Quarterly Report on Form 10-Q for the fiscal quarter ended May 31, 2012 filed on July 10, 2012;
- Current Reports on Form 8-K filed on April 5, 2012 (of the two reports filed on that date, only the one reporting information under Items 5.02 and 9.01); April 16, 2012; April 23, 2012; May 9, 2012; July 2, 2012 (Items 1.01, 2.03 and 9.01 only (but excluding Exhibit 99.1)); and July 31, 2012;
- The description of our class A common stock, par value $.01 per share, and class B common stock, par value $.01 per share, contained in Item 1 of our registration statement on Form 8-A filed on October 4, 1999; and
- All documents filed by the Company under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, on or after the date of this prospectus supplement and before the termination of this offering.

This prospectus supplement and the accompanying prospectus are part of a registration statement we have filed with the SEC relating to the notes offered by this prospectus supplement and other securities. As permitted by SEC rules, this prospectus supplement and the accompanying prospectus do not contain all of the information included in the registration statement and the accompanying exhibits and schedules we file with the SEC. You may refer to the registration statement, the exhibits and schedules for more information about us and our debt securities. The registration statement, exhibits and schedules are also available at the SEC s Public Reference Room or through its website. In addition, we post the periodic reports that we file with the SEC on our website at http://www.cbrands.com. You may also obtain a copy of these filings, at no cost, by writing to or telephoning us at the following address:

Constellation Brands, Inc.

207 High Point Drive, Building 100

Victor, New York 14564

585-678-7100

Attention: David S. Sorce, Secretary

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents incorporated or deemed to be incorporated by reference herein contain forward-looking statements that involve risks and uncertainties, including those discussed under the caption Risk Factors. We develop forward-looking statements by combining currently available information with our beliefs and assumptions. These statements relate to future events, including our future performance, and often contain words such as may, should, could, expects, seeks to, anticipates, plans, b estimates, intends, predicts, projects, potential or continue or the negative of such terms and other comparable terminology. Forward-look statements are inherently uncertain, and actual performance or results may differ materially and adversely from that expressed in, or implied by, any such statements. Consequently, you should recognize these statements for what they are and we caution you not to rely upon them as facts.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights selected information about the Company and this offering. It does not contain all of the information that may be important to you in deciding whether to purchase notes. We encourage you to read the entire prospectus supplement, the accompanying prospectus and the documents that we have filed with the SEC that are incorporated by reference prior to deciding whether to purchase notes.

Constellation Brands, Inc.

We are the world s leading premium wine company with a leading market position in both of our primary markets, which are the United States (U.S.) and Canada. Our wine portfolio is complemented by select premium spirits brands and other select beverage alcohol products. We are also the leading marketer of imported beer in the U.S. through our investment in Crown Imports LLC, which we refer to below as Crown, a 50/50 joint venture with Grupo Modelo, S.A.B. de C.V., pursuant to which Grupo Modelo s Mexican beer portfolio is imported, marketed and sold by Crown in the U.S. As described below under Recent Developments The Crown Acquisition, we signed a definitive agreement to acquire the remaining equity interest in Crown not already owned by us for approximately $1.85 billion.

Since our founding in 1945 as a producer and marketer of wine products, we have grown through a combination of internal growth and acquisitions. Our internal growth has been driven by leveraging our existing portfolio of leading brands, developing new products, new packaging and line extensions, and focusing on the faster growing sectors of the beverage alcohol industry. We conduct our business through entities we wholly own as well as a variety of joint ventures with various other entities, both within and outside the U.S.

Corporate Information

Our principal executive offices are located at 207 High Point Drive, Building 100, Victor, New York 14564 and our telephone number is 585-678-7100. We maintain a website at www.cbrands.com. Our website and the information contained on that site, or connected to that site, are not incorporated into this prospectus, and you should not rely on any such information in making your decision whether to purchase the notes. We are a Delaware corporation that was incorporated on December 4, 1972, as the successor to a business founded in 1945. On September 19, 2000, we changed our name to Constellation Brands, Inc. from Canandaigua Brands, Inc.

Recent Developments

The Crown Acquisition

On June 28, 2012, we entered into a Membership Interest Purchase Agreement, which we refer to as the Membership Interest Purchase Agreement, to acquire the 50% equity interest in Crown not already owned by us, which we refer to as the Crown Acquisition. The consummation of the Crown Acquisition is conditioned on the consummation of the acquisition of Grupo Modelo by Anheuser-Busch InBev. Crown has the exclusive right to import, market and sell primarily Grupo Modelo s Mexican beer portfolio in the 50 states of the U.S., the District of Columbia and Guam. The Crown portfolio of brands includes Corona Extra, the best-selling imported beer and the sixth best-selling beer overall in the industry; Corona Light, the leading imported light beer; and Modelo Especial, the third largest and one of the fastest growing major imported beer brands. The pending acquisition of Crown will position the Company as the largest multi-category supplier of beverage alcohol in the U.S.

We currently expect to complete the Crown Acquisition, subject to satisfaction of limited closing conditions, in the first quarter of calendar 2013. We cannot guarantee, however, that the Crown Acquisition will be completed upon the agreed upon terms, or at all.

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If we are unable to obtain financing sufficient to enable us to pay the purchase price for the entire 50% membership interest in Crown not already owned by us, then pursuant to the terms of the Membership Interest Purchase Agreement, we must purchase at least one-half of such 50% membership interest (the Alternate Crown Acquisition) for a pro-rated purchase price plus a fee of $150.0 million payable to the seller.

An amount equal to the aggregate public offering price of the notes will be placed in an escrow account, which account will be pledged to the trustee for the benefit of the holders of the notes for so long as the proceeds remain in escrow. The escrowed funds will be used to fund a portion of the Crown Acquisition or the Alternate Crown Acquisition. If, however, the Membership Interest Purchase Agreement is terminated and the transactions contemplated thereby are abandoned or if neither the Crown Acquisition nor the Alternate Crown Acquisition has been consummated on or prior to December 30, 2013, we will be required to redeem all of the notes at a redemption price equal to 100% of their aggregate public offering price, plus accrued and unpaid interest (and, if applicable, the accreted portion of any original issue discount) to the date of the special mandatory redemption. See Description of the Notes and the Guarantees Escrow of Proceeds; Release Conditions and Description of the Notes and the Guarantees Special Mandatory Redemption.

Financing Arrangements for the Crown Acquisition

We expect the sources of permanent financing for the Crown Acquisition to consist of:

- the proceeds from the sale of the notes in this offering;
- a $575.0 million incremental term loan under our senior credit facility; and
- borrowings under our revolving facility under our senior credit facility and/or cash on hand (however, as adjusted information in this prospectus supplement assumes a $650.0 million borrowing under our revolving facility).

We are currently pursuing an amendment and restatement of our senior credit facility to establish a committed $575.0 million delayed draw incremental term loan facility maturing in 2017 and amortizing in annual amounts of 5% to 10% prior to maturity to fund a portion of the Crown Acquisition. The terms of an amendment and restatement of our senior credit facility have not been finalized. Accordingly, there can be no assurance that we will enter into an amendment and restatement of our senior credit facility on the terms described above or at all. However, it is a condition to our obligation to issue the notes that prior to the issue date of the notes our senior credit facility is amended to permit the liens on the escrowed funds securing the notes.

To provide certainty of financing to fund the Crown Acquisition in the event the anticipated sources of funds for the Crown Acquisition are unavailable for any reason, we have entered into an interim loan agreement (or bridge facility) with affiliates of the underwriters. The bridge facility provides for aggregate credit facilities of $1.875 billion. These loans may be borrowed, if at all, only in connection with the closing of the Crown Acquisition. We expect to borrow under the bridge facility only if any or all of the anticipated permanent financing is not available for any reason and we are unable to replace such anticipated financing with alternate financing or available cash resources.

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The Offering

A brief description of the material terms of the offering follows. For a more complete description of the notes offered hereby, see Description of the Notes and the Guarantees in this prospectus supplement and Description of Debt Securities in the accompanying prospectus.

Issuer	Constellation Brands, Inc.
Subsidiary Guarantors	The notes will be guaranteed by our subsidiaries that are guarantors under our senior credit facility.
Securities Offered	$650,000,000 aggregate principal amount of % Senior Notes due 2023.
Maturity	The notes will mature on March 1, 2023.
Interest	Interest on the notes will accrue from , 2012 and will be payable on March 1 and September 1 of each year, beginning March 1, 2013.
Ranking	Except as described below under Escrow of Proceeds, the notes will be our senior unsecured obligations and will rank equally with all of our other senior unsecured indebtedness and will be effectively subordinated to the indebtedness outstanding under our senior credit facility from time to time and any other secured debt we may incur to the extent of the value of the assets securing such debt. The notes will be fully and unconditionally guaranteed on a senior basis, jointly and severally, by the subsidiaries that are guarantors under our senior credit facility, subject to release provisions described below. Each guarantee will be effectively subordinated to any secured obligations of the subsidiary guarantors to the extent of the value of the assets securing such debt. The notes will also be structurally subordinated to all indebtedness and other liabilities of our subsidiaries that do not guarantee the notes. As of May 31, 2012, as adjusted to give effect to the issuance of the notes and the incurrence of additional senior secured financing in the aggregate amount of approximately $1.2 billion in connection with the Crown Acquisition, we would have had approximately (i) $5.3 billion aggregate principal amount of senior indebtedness outstanding, of which approximately $2.1 billion was secured (excluding the security interest in the proceeds of the sale of the notes held in escrow) and (ii) $160.4 million of available undrawn revolving commitments under the revolving portion of our senior credit facility (after giving effect to $650.0 million of assumed borrowings under our revolving facility to fund a portion of the Crown Acquisition). The guarantee of a subsidiary guarantor will be released to the extent such subsidiary guarantor is released as a guarantor under our senior credit facility or the facility (or a successor thereto) is amended, refinanced, extended, substituted, replaced or renewed without such subsidiary guarantor being a guarantor of the indebtedness thereunder, or if our senior credit facility is otherwise terminated or the requirements for legal or covenant defeasance or to discharge the indenture have been met.

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Optional Redemption	We may, at our option, redeem some or all of the notes at any time at a redemption price equal to the greater of 100% of the principal amount of the notes being redeemed; and the sum of the present values of the remaining scheduled payments of principal and interest on the notes being redeemed (excluding interest accrued to the redemption date) from the redemption date to the maturity date discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at a discount rate equal to the Treasury Rate (as defined in this prospectus supplement) plus 50 basis points. We will also pay the accrued and unpaid interest on the notes to the redemption date.
Escrow of Proceeds	An amount equal to the aggregate public offering price of the notes will be placed in an escrow account, which account will be pledged to the trustee for the benefit of the holders of the notes for so long as the proceeds remain in escrow. The escrowed funds will be used to fund a portion of the Crown Acquisition or the Alternate Crown Acquisition. See Description of the Notes and the Guarantees Escrow of Proceeds; Release Conditions.
Special Mandatory Redemption	If the Membership Interest Purchase Agreement is terminated and the transactions contemplated thereby are abandoned or if neither the Crown Acquisition nor the Alternate Crown Acquisition has been consummated or on prior to December 30, 2013, we will be required to redeem all of the notes at a redemption price equal to 100% of their aggregate public offering price, plus accrued and unpaid interest (and, if applicable, the accreted portion of any original issue discount) to the date of the special mandatory redemption. See Description of the Notes and the Guarantees Special Mandatory Redemption.
Repurchase at the Option of Holders Upon A Change of Control	If we experience a change of control (as defined in this prospectus supplement), we must offer to repurchase all the notes at a purchase price equal to 101% of the principal amount, plus accrued and unpaid interest, if any, to the repurchase date. We might not be able to pay you the required price for notes you present to us at the time of a change of control because our senior credit facility or other indebtedness may prohibit payment or we might not have enough funds at that time.
Sinking Fund	None.

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Covenants	The indenture under which we will issue the notes contains covenants that, among other things, limit our ability under certain circumstances to create liens, enter into sale-leaseback transactions and engage in mergers, consolidations and sales of all or substantially all of our assets. See Description of the Notes and the Guarantees.
Use of Proceeds	We intend to use the net proceeds of the offering to fund a portion of the Crown Acquisition or the Alternate Crown Acquisition. See Use of Proceeds.
Risk Factors	An investment in the notes involves a high degree of risk. Potential investors should carefully consider the risk factors set forth under the heading Risk Factors and in the documents incorporated by reference herein prior to making a decision to invest in the notes.

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Summary Historical and Combined Financial Data of the Company and Crown

Set forth below is selected summary financial data of the Company for the fiscal year ended February 29, 2012, for the three month periods ended May 31, 2011 and 2012 and for the twelve month period ended May 31, 2012. The income statement data for the fiscal year ended February 29, 2012 have been derived from our audited historical financial statements incorporated by reference into this prospectus supplement. The income statement data for the three month periods ended May 31, 2011 and 2012 have been derived from our unaudited financial statements incorporated by reference into this prospectus supplement. The income statement data for the twelve month period ended May 31, 2012 have been derived from our audited and unaudited financial statements. In the opinion of our management, the unaudited data includes all adjustments (consisting of only normal recurring adjustments) necessary to present fairly the data for such periods. It is important that you read the summary historical financial data presented below along with Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements incorporated by reference into this prospectus supplement.

The information set forth below under Selected Combined Financial Data of the Company and Crown reflects certain adjustments relating to the Crown Acquisition and the proposed financing of the Crown Acquisition, as described in this prospectus supplement, to the historical financial data of the Company. Such combined financial data is not required to be included in this prospectus supplement by, and has not been prepared in accordance with the provisions of, Regulation S-X promulgated by the Securities and Exchange Commission with respect to pro forma financial information relating to business combinations. Such combined financial data does not reflect the acquisition method of accounting and other adjustments required by Regulation S-X and you should not place undue reliance on it. Additionally, such combined financial data does not purport to represent what our results of operations or financial condition would have actually been had the Crown Acquisition been consummated prior to such periods or to project the Company s results of operations or financial condition for any future period if the Crown Acquisition is consummated.

($ in millions)	Twelve Months Ended May 31, 2012	Three Months Ended May 31, 2012	Three Months Ended May 31, 2011	Fiscal Year Ended February 29, 2012
Income Statement Data:	(unaudited)	(unaudited)		
Sales	$ 2,993.7	$ 725.3	$ 710.7	$ 2,979.1
Less excise taxes	(339.9)	(90.5)	(75.4)	(324.8)
Net sales	2,653.8	634.8	635.3	2,654.3
Cost of product sold	(1,592.1)	(384.2)	(384.3)	(1,592.2)
Gross profit	1,061.7	250.6	251.0	1,062.1
Selling, general and administrative expenses	(527.3)	(144.0)	(138.2)	(521.5)
Impairment of intangible assets	(38.1)			(38.1)
Restructuring charges	(5.4)	(0.5)	(11.1)	(16.0)
Operating income	490.9	106.1	101.7	486.5
Equity in earnings of equity method investees	226.9	60.6	62.2	228.5
Interest expense, net	(187.4)	(50.7)	(44.3)	(181.0)
Loss on write-off of financing costs	(2.8)	(2.8)		
Income before income taxes	527.6	113.2	119.6	534.0
Provision for income taxes	(85.1)	(41.2)	(45.1)	(89.0)
Net income	$ 442.5	$ 72.0	$ 74.5	$ 445.0

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($ in millions)	Twelve Months Ended May 31, 2012 (unaudited)	Three Months Ended May 31, 2012 (unaudited)	Three Months Ended May 31, 2011 (unaudited)	Fiscal Year Ended February 29, 2012
Other Company Historical Financial Data:				
Comparable Basis EBITDA[(a) (d)]	$ 873.8	$ 199.7	$ 204.4	$ 878.5
Selected Combined Financial Data of the Company and Crown:				
Combined Comparable Basis EBITDA[(b) (d)]	$ 1,094.3	$ 262.5	$ 264.9	$ 1,096.7
Total Debt As Adjusted[(c)]	$ 5,296.0			
Ratio of Total Debt As Adjusted to Combined Comparable Basis EBITDA	4.8x			

(a) Comparable Basis EBITDA, a measure used by management to evaluate operating performance, is defined as net income of the Company before provision for income taxes, interest expense, net, depreciation and amortization and certain other items, as further detailed in footnote (d) below. Comparable Basis EBITDA is not a recognized term under GAAP and does not purport to be an alternative to net income as a measure of operating performance or to cash flows from operating activities as a measure of liquidity. Additionally, Comparable Basis EBITDA is not intended to be a measure of free cash flow available for management s discretionary use, as it does not consider certain cash requirements such as interest payments, tax payments and other debt service requirements. Management believes Comparable Basis EBITDA is helpful to investors and our management in highlighting trends because Comparable Basis EBITDA excludes the results of decisions outside the control of operating management and that can differ significantly from company to company depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which companies operate and capital investments. Management compensates for the limitations of using non-GAAP financial measures by using them to supplement GAAP results to provide a more complete understanding of the factors and trends affecting the business than GAAP results alone. Because not all companies use identical calculations, our presentation of Comparable Basis EBITDA may not be comparable to similarly titled measures of other companies.

(b) Combined Comparable Basis EBITDA represents Comparable Basis EBITDA (as defined in footnote (a) above) minus equity in earnings of Crown plus operating income and depreciation and amortization of Crown, in each case, for the applicable period. Combined Comparable Basis EBITDA is a non-GAAP financial measure. See footnote (a) above.

(c) Represents the Company s historical debt balance as of May 31, 2012 increased by the amount of additional debt assumed to be incurred to finance the Crown Acquisition. See Capitalization.

(d) The table below provides reconciliations of Comparable Basis EBITDA and Combined Comparable Basis EBITDA, which are non-GAAP financial measures, to GAAP net income for the periods presented in the table below. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company s reported results prepared in accordance with GAAP.

(in millions)	Twelve Months Ended May 31, 2012	Three Months Ended May 31, 2012	Three Months Ended May 31, 2011	Fiscal Year Ended February 29, 2012
Net income	$ 442.5	$ 72.0	$ 74.5	$ 445.0
Provision for income taxes	85.1	41.2	45.1	89.0
Interest expense, net	187.4	50.7	44.3	181.0
Depreciation and amortization	112.9	29.5	26.9	110.3
Impairment of intangible assets	38.1			38.1
Restructuring charges	5.4	0.5	11.1	16.0
Loss on write-off of financing costs	2.8	2.8		
Other[(1)]	(0.4)	3.0	2.5	(0.9)
Comparable Basis EBITDA	**$ 873.8**	**$ 199.7**	**$ 204.4**	**$ 878.5**
Equity in earnings of Crown	(216.2)	(60.9)	(59.8)	(215.1)
Crown operating income	434.2	123.0	119.8	431.0
Crown depreciation and amortization	2.5	0.7	0.5	2.3
Combined Comparable Basis EBITDA	**$ 1,094.3**	**$ 262.5**	**$ 264.9**	**$ 1,096.7**

(1) Comprised of the flow through of inventory step-up associated with an acquisition; other costs incurred in connection with certain restructuring activities; gains and/or losses in connection with the disposal of businesses; losses on the contractual obligation created by the notification by a shareholder of Ruffino

S.r.l. (Ruffino) to exercise its option to put its entire equity interest in Ruffino to the Company; net gains in connection with the acquisition of the remaining portion of Ruffino; and gains in connection with releases from certain contractual obligations.

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Summary Historical Financial Information of Crown

The following table sets forth selected summary financial data of Crown for the twelve month period ended February 29, 2012, for the three month periods ended May 31, 2011 and 2012 and for the twelve month period ended May 31, 2012. The income statement data for the twelve month periods ended February 29, 2012 and May 31, 2012 and for the three month periods ended May 31, 2011 and 2012 have been derived from our audited and unaudited financial statements incorporated by reference into this prospectus supplement. It is important that you read the summary historical financial data presented below along with Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements incorporated by reference into this prospectus supplement.

(in millions)	Twelve Months Ended May 31, 2012 (unaudited)	Three Months Ended May 31, 2012 (unaudited)	Three Months Ended May 31, 2011 (unaudited)	Twelve Months Ended February 29, 2012
Income Statement Data:				
Net sales	$ 2,516.1	$ 724.1	$ 677.5	$ 2,469.5
Gross profit	$ 732.6	$ 211.2	$ 199.6	$ 721.0
Operating income	$ 434.2	$ 123.0	$ 119.8	$ 431.0
Net income	$ 433.4	$ 122.8	$ 119.6	$ 430.2

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RISK FACTORS

You should carefully consider the risks described below and in our documents filed with the SEC and incorporated by reference herein, as well as other information included in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus before buying any of the notes.

Risks Relating to The Company

You should carefully consider the risk factors and other cautionary statements included in our annual report on Form 10-K for the fiscal year ended February 29, 2012, in our quarterly report on Form 10-Q for the fiscal quarter ended May 31, 2012 and in other documents filed with the SEC and incorporated by reference herein.

Risks Relating to The Notes

The notes are unsecured and will be effectively subordinated to our secured debt to the extent of the value of the assets securing such debt.

From and after the release of the proceeds of the notes from the escrow account, the notes will not be secured by any of our assets. As of May 31, 2012, as adjusted to give effect to the issuance of the notes and the incurrence of additional senior secured financing in the aggregate amount of approximately $1.2 billion in connection with the Crown Acquisition, we would have had approximately $2.1 billion of secured debt (excluding the security interest in the proceeds of the sale of the notes held in escrow) and approximately $160.4 million of unused commitments (taking into account issued and outstanding revolving letters of credit of approximately $13.4 million and after giving effect to $650.0 million of assumed borrowings under the revolving facility to fund a portion of the Crown Acquisition) under our revolving credit facility. Our obligations under our senior credit facility are currently secured by a pledge of (i) 100% of the ownership interests of certain of our U.S. subsidiaries and (ii) 55-65% of certain interests of certain of our foreign subsidiaries. In addition, the indenture governing the notes will permit us and our subsidiaries to incur certain additional debt that is secured by liens on our assets without equally and ratably securing the notes. If the Company becomes insolvent or is liquidated, or if payment under our secured debt is accelerated, the holders of our secured debt would be entitled to exercise the remedies available to a secured lender under applicable law and pursuant to the agreement governing such debt. In any such event, because the notes will not be secured by any of our assets, it is possible that there would be no assets remaining from which claims of the holders of the notes could be satisfied following repayment of our secured debt or, if any such assets remained, such assets might be insufficient to satisfy such claims fully.

Our ability to make payments on the notes depends on our ability to receive dividends from our subsidiaries, and not all of our subsidiaries are guarantors of the notes. The notes will be structurally subordinated to all indebtedness and other liabilities of our subsidiaries that do not guarantee the notes.

We are a holding company and conduct almost all of our operations through our subsidiaries. As of May 31, 2012, approximately 84% of our tangible assets were held by our subsidiaries. The ownership interests of our subsidiaries represent substantially all the assets of the holding company. Accordingly, we are dependent on the cash flows of our subsidiaries to meet our obligations, including the payment of the principal and interest on the notes. See Description of the Notes and the Guarantees.

The notes will be guaranteed, jointly and severally, by our subsidiaries that guarantee our senior credit facility. Holders of the notes will not have a direct claim on assets of subsidiaries that do not guarantee the notes and the notes will be structurally subordinated to all indebtedness and liabilities of our subsidiaries that do not guarantee the notes. For the three months ended May 31, 2012, approximately $127.7 million of our net sales were from our subsidiaries that are not guarantors of the notes. As of May 31, 2012, our non-guarantor subsidiaries had approximately $398.8 million of liabilities.

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The subsidiary guarantees may be subject to challenge under fraudulent transfer laws.

Under U.S. bankruptcy law and comparable provisions of state fraudulent transfer laws, a court could subordinate or void any guarantee if it found that the guarantee was incurred with actual intent to hinder, delay or defraud creditors or the guarantor did not receive fair consideration or reasonably equivalent value for the guarantee and the guarantor was any of the following: (i) insolvent or was rendered insolvent because of the guarantee; (ii) engaged in a business or transaction for which its remaining assets constituted unreasonably small capital; or (iii) intending to incur, or believed that it would incur, debts beyond its ability to pay at maturity. To the extent any guarantee were to be voided as a fraudulent conveyance or held unenforceable for any other reason, holders of the notes would cease to have any claim in respect of such guarantor and would be creditors solely of us and any guarantor whose guarantee was not voided or held unenforceable. In such event, the claims of the holders of the notes against the issuer of an invalid guarantee would be subject to the prior payment of all liabilities of such guarantor. There can be no assurance that, after providing for all prior claims, there would be sufficient assets to satisfy the claims of the holders of the notes relating to any voided guarantee.

In the event of a special mandatory redemption, holders of the notes may not obtain their expected return on the notes.

If we redeem the notes pursuant to the special mandatory redemption provisions, you may not obtain your expected return on the notes and may not be able to reinvest the proceeds from such special mandatory redemption in an investment that results in a comparable return. In addition, as a result of the special mandatory redemption provisions of the notes, the trading prices of the notes between the date of issuance and the consummation of the Crown Acquisition or Alternate Crown Acquisition may not reflect the financial results of our business or macroeconomic factors and may be limited based on the special mandatory redemption price. You will have no rights under the special mandatory redemption provisions if the Crown Acquisition closes, nor will you have any right to require us to repurchase your notes if, between the closing of this offering and the closing of the Crown Acquisition or Alternate Crown Acquisition, we experience any changes (including any material changes) in our business or financial condition, or if the terms of the Membership Interest Purchase Agreement change in any way that is not materially adverse to the holders of the notes.

There is no public market for the notes, an active trading market for the notes may not develop and the market price of the notes may be lower than the offering price.

The notes will constitute a new issue of securities with no established trading market, and there can be no assurance as to (i) the liquidity of any such market that may develop, (ii) the ability of holders of notes to sell their notes or (iii) the price at which the holders of notes would be able to sell their notes. If such a market were to exist, the notes could trade at prices that may be higher or lower than their principal amount or purchase price, depending on many factors, including prevailing interest rates, the market for similar notes and our financial performance. We have been advised by the underwriters that, following completion of this offering, the underwriters presently intend to make a market in the notes. However, the underwriters are not obligated to do so, and any market-making activity with respect to the notes may be discontinued at any time without notice. In addition, such market-making activity will be subject to the limits imposed by the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. There can be no assurance that an active trading market will exist for the notes.

The subsidiary guarantees may be limited in duration.

Each subsidiary guarantor will guarantee our obligations under the notes only for so long as each subsidiary guarantor is a guarantor under our senior credit facility. If any or all of the subsidiary guarantees are released or terminated or no longer required under our senior credit facility, such subsidiary guarantee(s) will be released under the indenture. The indenture does not contain any covenants that materially restrict our ability to sell, transfer or otherwise dispose of our assets, including the ownership interests of our subsidiaries, or the assets of any of our subsidiaries, except as described under the caption Description of Debt Securities Consolidation, Merger, Sale or Conveyance in the accompanying prospectus.

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We may not be able to repurchase the notes upon a change of control.

Upon the occurrence of specific kinds of change of control events, each holder of notes will have the right to require us to repurchase all or any part of such holder s notes at a price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to the repurchase date. Our senior credit facility currently also provides that certain change of control events constitute a default. Any future credit agreement or other agreements relating to indebtedness to which we become a party may contain similar provisions. If we experience a change of control that triggers a default under our senior credit facility, such default could result in amounts outstanding under our senior credit facility being declared due and payable. We would be prohibited from purchasing the notes unless, and until, such time as our indebtedness under our senior credit facility was repaid in full. There can be no assurance that either we or our subsidiary guarantors would have sufficient financial resources available to satisfy all of our or their obligations under our senior credit facility and these notes in the event of a change of control. Our failure to purchase the notes as required under the indenture governing the notes would result in a default under the indenture, which could have material adverse consequences for us and the holders of the notes. See Description of the Notes and the Guarantees Repurchase at the Option of Holders Upon a Change of Control.

If a bankruptcy or reorganization case is commenced, bankruptcy laws may delay or prevent the escrow agent from releasing the escrowed funds.

If we or any of our subsidiaries commence a bankruptcy or reorganization case, or one is commenced against us, the applicable bankruptcy laws may delay or prevent the trustee under the indenture governing the notes from foreclosing on, and the escrow agent from releasing, the escrowed funds. Under the applicable bankruptcy laws, secured creditors, such as the trustee on behalf of the holders of the notes, are prohibited from foreclosing upon or disposing of a debtor s property without prior bankruptcy court approval.

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USE OF PROCEEDS

We estimate that the net proceeds from the sale of the notes will be approximately $641.0 million (after deducting underwriter discounts and commissions and estimated offering expenses). We intend to use the net proceeds from this offering to pay a portion of the Crown Acquisition or the Alternate Crown Acquisition purchase price. Pending such use, an amount equal to the aggregate public offering price of the notes will be placed in an escrow account, which account will be pledged to the trustee for the benefit of the holders of the notes for so long as the proceeds remain in escrow. If the Membership Interest Purchase Agreement is terminated and the transactions contemplated thereby are abandoned or if neither the Crown Acquisition nor the Alternate Crown Acquisition has been consummated on or prior to December 30, 2013, the funds in the escrow account will be used toward redemption of all of the notes at a redemption price equal to 100% of their aggregate public offering price, plus accrued and unpaid interest (and, if applicable, the accreted portion of any original issue discount) to the date of the special mandatory redemption. See Description of the Notes and the Guarantees Escrow of Proceeds; Release Conditions and Description of the Notes and the Guarantees Special Mandatory Redemption.

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CAPITALIZATION

The following table sets forth, as of May 31, 2012, our consolidated cash and cash equivalents and total capitalization on (i) an actual basis; and (ii) as adjusted to give effect to the issuance of the notes and the incurrence of additional senior secured financing in the aggregate amount of approximately $1.2 billion in connection with the Crown Acquisition. See Prospectus Supplement Summary Recent Developments Financing Arrangements for the Crown Acquisition. You should read this table in conjunction with our consolidated financial statements and the related notes which are incorporated by reference in this prospectus supplement and the accompanying prospectus.

	May 31, 2012	
(in millions)	**Actual**	**As Adjusted For The Notes Issuance And The Additional Financing (Unaudited)**
Cash and Cash Equivalents	$ 69.1	$ 69.1
Long-Term Debt (including current portion):		
Revolving Credit Facility	$ 26.2	$ 676.2
Term Loan A	550.0	550.0
Term Loan A-1	250.0	250.0
New Term Loan		575.0
Other Senior Debt	99.8	99.8
% Senior Notes due 2023 offered hereby		650.0
8.375% Senior Notes due 2014[(a)]	498.6	498.6
7.250% Senior Notes due 2016[(b)]	696.4	696.4
7.250% Senior Notes due 2017	700.0	700.0
6.000% Senior Notes due 2022	600.0	600.0
Total Debt	3,421.0	5,296.0
Stockholders Equity	2,299.8	2,299.8
Total Capitalization	$ 5,720.8	$ 7,595.8

(a) Represents $500.0 million less $1.4 million unamortized discount.
(b) Represents $700.0 million less $3.6 million unamortized discount.

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DESCRIPTION OF THE NOTES AND THE GUARANTEES

The following discussion of the terms of the notes supplements the description of the general terms and provisions of the debt securities contained in the accompanying prospectus and identifies any general terms and provisions described in the accompanying prospectus that will not apply to the notes.

Unless the context requires otherwise, references in this section to we, us, our and the Company refer to Constellation Brands, Inc. only and not to its subsidiaries. Unless otherwise defined herein, capitalized terms used in the description below have the definitions given to them under Certain Definitions below.

General

The notes will be issued under an indenture and supplemental indenture thereto, together referred to below as the indenture, among us, Manufacturers and Traders Trust Company, and the guarantors named therein. You should read the accompanying prospectus for a general discussion of the terms and provisions of the indenture.

The indenture does not limit the amount of notes, debentures or other evidences of indebtedness that we may issue thereunder and provides that notes, debentures or other evidences of indebtedness may be issued from time to time thereunder in one or more series. We are initially offering the notes in the principal amount of $650,000,000. At any time following the consummation of the Crown Acquisition or Alternate Crown Acquisition, we may, without the consent of the holders, issue additional notes (which are referred to as such below) and thereby increase that principal amount in the future, on the same terms and conditions and with the same CUSIP number as the notes we offer by this prospectus supplement.

The notes will mature on March 1, 2023 and will bear interest at a rate of % per year. Interest on the notes will accrue from , 2012 or from the most recent interest payment date to which interest has been paid or duly provided for. We will pay interest on the notes semi-annually on March 1 and September 1 of each year, beginning March 1, 2013. In each case, we:

- will pay interest to the person in whose name a note is registered at the close of business on the February 15 or August 15 preceding the interest payment date;
- will compute interest on the basis of a 360-day year consisting of twelve 30-day months;
- will make payments on the notes at the offices of the trustee; and
- may make payments by wire transfer for notes held in book-entry form or by check mailed to the address of the person entitled to the payment as it appears in the note register.

If any interest payment date or maturity or redemption date falls on a day that is not a business day, the required payment shall be made on the next business day as if it were made on the date such payment was due and no interest shall accrue on the amount so payable from and after such interest payment date or maturity or redemption date, as the case may be, to such next business day. Business day means any day that is not a day on which banking institutions in The City of New York are authorized or required by law or by executive order issued by a governmental authority or agency regulating such banking institutions, to close.

We will issue the notes only in fully registered form, without coupons, in denominations of $2,000 and any integral multiple of $1,000 in excess thereof.

Escrow of Proceeds; Release Conditions

This offering will be consummated prior to the consummation of the Crown Acquisition or, if applicable, the Alternate Crown Acquisition. Concurrently with the closing of this offering, we will enter into an escrow agreement (the *Escrow Agreement*) with the trustee and

Manufacturers Traders and Trust Company, as escrow

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agent (in such capacity, the *Escrow Agent*). Pursuant to the Escrow Agreement, we will deposit an amount of cash equal to the aggregate public offering price of the notes with the Escrow Agent (collectively, with any other property from time to time held by the Escrow Agent, the *Escrowed Property*), for deposit into the Escrow Account. We will not prefund interest or original issue discount that may accrete on the notes during the pendency of the Escrow Agreement. We will grant the trustee, for the benefit of the holders of the notes, a security interest in the Escrow Account and the Escrowed Property to secure our obligations under the notes pending disbursement as described below. The Escrowed Property will be required to be invested in cash or certain U.S. dollar denominated short term investments pursuant to the Escrow Agreement.

In order to cause the Escrow Agent to release the Escrowed Property to us (the *Release*), we must deliver to the Escrow Agent and the trustee an officer s certificate certifying that the closing of the Crown Acquisition or the Alternate Crown Acquisition is expected to occur in accordance with the terms of the Membership Interest Purchase Agreement (and without any amendment, waiver or modification thereof that is materially adverse to the holders of the notes) within five business days following the date of such officer s certificate and we have received or waived the notice contemplated by the Membership Interest Purchase Agreement of the anticipated closing date of the acquisition of Grupo Modelo by Anheuser-Busch InBev. In the event that the Crown Acquisition or Alternate Crown Acquisition is not actually consummated within seven business days following a Release, we will be required to redeposit all Escrowed Property with the Escrow Agent (subject to our right to cause a subsequent Release in accordance with the foregoing requirements).

Subsidiary Guarantees

Our obligations under the indenture and the notes, including the payment of principal of, and premium, if any, and interest on, the notes, will be fully and unconditionally guaranteed by the subsidiaries that are guarantors under our senior credit facility, provided that the guarantee of a subsidiary guarantor will be released to the extent such subsidiary guarantor is released as a guarantor under our senior credit facility or the facility (or a successor thereto) is amended, refinanced, extended, substituted, replaced or renewed without such subsidiary guarantor being a guarantor of the indebtedness thereunder, or if our senior credit facility is otherwise terminated or the requirements for legal or covenant defeasance or to discharge the indenture have been met.

The subsidiary guarantors guarantees will be joint and several obligations.

The guarantees will be senior unsecured obligations of each subsidiary guarantor and will rank equally with all of the other senior unsecured obligations of the subsidiary guarantor. Each guarantee will be effectively subordinated to any secured obligations of the subsidiary guarantors. The obligations of each subsidiary guarantor under its guarantee will provide that it be limited as necessary to prevent that guarantee from constituting a fraudulent conveyance under applicable law.

If a guarantee were rendered voidable, it could be subordinated by a court to all other liabilities and obligations (including guarantees and other contingent liabilities) of the applicable subsidiary guarantor, and depending on the amount of such liabilities and obligations, a subsidiary guarantor s liability on its guarantee could be reduced to zero.

The indenture will not contain any restrictions on the ability of any subsidiary guarantor to (i) pay dividends or distributions on, or redeem, purchase, acquire, or make a liquidation payment with respect to, any of that subsidiary guarantor s ownership interests, (ii) make any payment of principal, premium, if any, or interest on or repay, repurchase or redeem any debt securities of that subsidiary guarantor or (iii) consolidate with, merge with or into, or transfer all or substantially all of its assets to another person or entity. If a subsidiary guarantor is merged or consolidated with or into another person that is the surviving company in that merger or consolidation and (a) the surviving company becomes a guarantor under our senior credit facility, then the indenture will

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require that the surviving company expressly assume the obligations of the subsidiary guarantor under its guarantee or (b) the surviving company is not a guarantor under our senior credit facility and we deliver an officer s certificate to the trustee to that effect, then the surviving company will be released from any obligations under the guarantee of the subsidiary which was so merged or consolidated.

Ranking

Except as described above under Escrow of Proceeds; Release Conditions, the notes will be our senior unsecured obligations and will rank equally with all of our other senior unsecured indebtedness and will be effectively subordinated to the indebtedness outstanding under our senior credit facility from time to time and any other secured debt we may incur. The notes will be fully and unconditionally guaranteed on a senior basis, jointly and severally, by the subsidiaries that are guarantors under our senior credit facility, subject to the release provisions described above. Each guarantee will be effectively subordinated to any secured obligations of the subsidiary guarantors to the extent of the value of the assets securing such debt. These subsidiary guarantors also guarantee our obligations under our senior credit facility. Our senior credit facility is currently secured by a pledge of the ownership interests of certain of our subsidiaries and by certain intercompany debt subject to certain tax exclusions. The notes will also be structurally subordinated to all indebtedness and other liabilities of our subsidiaries that do not guarantee the notes.

We are a holding company and conduct almost all of our operations through our subsidiaries. Consequently, our ability to pay our obligations, including our obligation to pay interest on the notes and to repay the principal amount of the notes at maturity, upon redemption, upon acceleration or otherwise will depend upon our subsidiaries earnings and advances or loans made by them to us (and potentially dividends or distributions made by them to us). Our subsidiaries are separate and distinct legal entities and, except for the subsidiary guarantors obligations under the subsidiary guarantees, have no obligation, contingent or otherwise, to pay any amounts due on the notes or to make funds available to us to do so. Our subsidiaries ability to make advances or loans to us or to pay dividends or make other distributions to us will depend upon their operating results and will be subject to applicable laws and contractual restrictions, if any. The indenture will not limit our subsidiaries ability to enter into other agreements that prohibit or restrict dividends or other payments or advances to us. Except with respect to the covenants described below under Limitation upon Liens and Limitation on Sale and Leaseback Transactions , the indenture does not restrict or limit the ability of any subsidiary to incur, create, assume or guarantee indebtedness or encumber its assets or properties. As of May 31, 2012, as adjusted to give effect to the issuance of the notes and the incurrence of additional senior secured financing in the aggregate amount of approximately $1.2 billion in connection with the Crown Acquisition, we would have had approximately (i) $5.3 billion aggregate principal amount of senior indebtedness outstanding, of which approximately $2.1 billion was secured (excluding the security interest in the proceeds of the sale of the notes held in escrow) and (ii) $160.4 million of unused commitments (taking into account issued and outstanding revolving letters of credit of approximately $13.4 million and after giving effect to $650.0 million of assumed borrowings under our revolving facility to fund a portion of the Crown Acquisition) under our revolving credit facility.

Special Mandatory Redemption

If (i) on December 30, 2013 (the *Outside Date*) neither the Crown Acquisition nor the Alternate Crown Acquisition has been consummated or (ii) at any time prior to the consummation of the Crown Acquisition or the Alternate Crown Acquisition and the Outside Date, we deliver an officer s certificate to the Escrow Agent stating that we have elected not to consummate the Crown Acquisition or the Alternate Crown Acquisition or that we have determined that the conditions required for Release cannot be satisfied, then the Escrow Agreement shall terminate on such date (the *Escrow Termination Date*). On the Business Day following the Escrow Termination Date (the *Special Mandatory Redemption Date*), the Escrow Agent shall distribute all Escrowed Property to the trustee and we will be required to fund any additional amounts to the trustee necessary to fund the redemption described below. The trustee shall apply the amounts so received pursuant to the previous sentence to

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redeem all outstanding notes at a redemption price equal to the public offering price of the notes as set forth on the cover page of this prospectus supplement, plus accrued and unpaid interest and, if applicable, accretion of any original issue discount on the notes (calculated assuming such original issue discount is amortized over the full term of the notes and compounded on each interest payment date), if any, to, but excluding, the Special Mandatory Redemption Date. The Trustee will pay to us any Escrowed Property, if any, remaining after redemption of the notes and payment of its fees and expenses.

Optional Redemption

We may redeem the notes in whole or in part at any time or in part from time to time, at our option, at a redemption price equal to the greater of

- 100% of the principal amount of the notes to be redeemed; and
- the sum of the present values of the remaining scheduled payments of principal and interest (excluding interest accrued to the redemption date) on the notes discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Rate plus 50 basis points,

plus, in each case, accrued and unpaid interest on the principal amount being redeemed to the redemption date.

Treasury Rate means, with respect to any redemption date, (1) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated H.15(519) or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption Treasury Constant Maturities, for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after the remaining life, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue will be determined and the Treasury Rate will be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month) or (2) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per year equal to the semi-annual equivalent yield-to-maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date. The Treasury Rate will be calculated on the third Business Day preceding the redemption date.

Comparable Treasury Issue means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the notes to be redeemed.

Comparable Treasury Price means (1) the average of four Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if the Independent Investment Banker obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

Independent Investment Banker means any of Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities LLC, Rabo Securities USA, Inc., Barclays Capital Inc. or Wells Fargo Securities, LLC and their successors, or, if Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities LLC, Rabo Securities USA, Inc., Barclays Capital Inc. or Wells Fargo Securities, LLC are unwilling or unable to select the Comparable Treasury Issue, an independent investment banking institution of national standing appointed by the trustee after consultation with us.

Reference Treasury Dealer means any of (1) Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities LLC, Rabo Securities USA, Inc., Barclays Capital Inc. or Wells Fargo Securities, LLC, or

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their successors; *provided, however*, that if Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities LLC, Rabo Securities USA, Inc., Barclays Capital Inc. or Wells Fargo Securities, LLC shall cease to be a primary U.S. Government securities dealer in New York City, which we refer to as a Primary Treasury Dealer , we will substitute another Primary Treasury Dealer and (2) any one other Primary Treasury Dealer selected by the Independent Investment Banker after consultation with us.

Reference Treasury Dealer Quotations means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker at 5:00 p.m., New York City time, on the third Business Day preceding such redemption date.

Holders of notes to be redeemed will be sent a redemption notice by first-class mail at least 30 and not more than 60 days before the date fixed for redemption. If fewer than all of the notes are to be redeemed, the trustee will select, not more than 60 days and not less than 30 days before the redemption date, the particular notes or portions of the notes for redemption from the outstanding notes not previously called by lot. Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the notes or portions of the notes called for redemption.

Repurchase at the Option of Holders Upon a Change of Control

Upon the occurrence of a Change of Control, each holder of notes will have the right to require us to repurchase all or any part of such holder s notes (except that no note will be purchased in part if the remaining principal amount of such note would be less than $2,000) pursuant to the offer described below (the *Change of Control Offer*) at a purchase price (the *Change of Control Purchase Price*) equal to 101% of the principal amount of the notes to be repurchased, plus accrued and unpaid interest to, but excluding, the repurchase date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Within 30 days following any Change of Control, we will:

(a) cause a notice of the Change of Control Offer to be sent at least once to the Dow Jones News Service or similar business news service in the United States; and

(b) send, by first-class mail, with a copy to the trustee, to each holder of notes, at such holder s address appearing in the security register, a notice stating:

(1) that a Change of Control has occurred and a Change of Control Offer is being made pursuant to the covenant entitled Repurchase at the Option of Holders Upon a Change of Control and that all notes timely tendered will be accepted for payment;

(2) the Change of Control Purchase Price and the repurchase date, which will be, subject to any contrary requirements of applicable law, a business day no earlier than 30 days nor later than 60 days from the date the notice is mailed;

(3) the circumstances and relevant facts regarding the Change of Control (including information with respect to our *pro forma* consolidated historical income, cash flow and capitalization after giving effect to the Change of Control); and

(4) the procedures that holders of notes must follow in order to tender their notes (or portions thereof) for payment, and the procedures that holders of notes must follow in order to withdraw an election to tender notes (or portions thereof) for payment.

We will not be required to make a Change of Control Offer following a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the

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requirements set forth in the indenture applicable to a Change of Control Offer made by us and purchases all notes validly tendered and not withdrawn under such Change of Control Offer.

We will comply, to the extent applicable, with the requirements of Section 14(e) of the Securities Exchange Act of 1934, as amended (the *Exchange Act*), and any other securities laws or regulations in connection with the repurchase of notes pursuant to a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of this covenant, we will comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations under this covenant by virtue of this compliance.

We have no present intention to engage in a transaction involving a Change of Control, although it is possible that we would decide to do so in the future. We could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control, but that could increase the amount of debt outstanding at such time or otherwise affect our capital structure or credit ratings.

The definition of Change of Control includes a phrase relating to the sale, transfer, assignment, lease, conveyance or other disposition of all or substantially all of our property. Although there is a developing body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase under applicable law. Accordingly, if we and our subsidiaries, considered as a whole, dispose of less than all of our property by any of the means described above, the ability of a holder of notes to require us to repurchase its notes may be uncertain. In such a case, holders of the notes may not be able to resolve this uncertainty without resorting to legal action.

Sinking Fund

The notes will not have the benefit of any sinking fund.

Reports to the Trustee

We are required to provide the trustee with an officers certificate each fiscal year stating that we reviewed our activities during the preceding fiscal year and that, after reasonable investigation and inquiry by the certifying officers, we are in compliance with the requirements of the indenture and that no default exists or, if we know of a default, we must identify it.

Limitation Upon Liens

The indenture provides that, so long as any of the notes remain outstanding, we will not and will not permit any Subsidiary to issue, assume or guarantee any Funded Debt that is secured by a mortgage, pledge, security interest or other lien or encumbrance (a *lien*) upon or with respect to any Principal Property or on the Capital Stock of any Subsidiary that owns a Principal Property unless:

- we secure the notes equally and ratably with (or prior to) any and all Funded Debt secured by that lien, or
- in the case of Funded Debt other than Capital Markets Debt, immediately after giving effect to the granting of any such lien and the incurrence of any Funded Debt in connection therewith, the Company s Consolidated Fixed Charge Coverage Ratio would be greater than 2.0 to 1.0.

The above limitation will not apply to some types of permitted liens. These permitted liens include:

- liens existing as of the date of the issuance of the notes (excluding liens securing our senior credit facility);
- liens securing our senior credit facility in an amount not to exceed the maximum amount permitted to be outstanding under our existing senior credit facility (including the incremental facilities contemplated thereunder);

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liens on property or assets of, or any shares of stock securing Funded Debt of, any corporation or other Person existing at the time such corporation or other Person becomes a Subsidiary;

liens on property, assets or shares of stock securing Funded Debt existing at the time of an acquisition, including an acquisition through merger or consolidation, and liens to secure Funded Debt incurred prior to, at the time of or within 180 days after the later of the completion of the acquisition, or the completion of the construction and commencement of the operation of any such property, for the purpose of financing all or any part of the purchase price or construction cost of that property;

liens to secure specified types of development, operation, construction, alteration, repair or improvement costs;

liens in favor of, or which secure Funded Debt owing to, the Company or a Subsidiary;

liens in connection with government contracts, including the assignment of moneys due or to come due on those contracts;

certain types of liens in connection with legal proceedings;

certain types of liens arising in the ordinary course of business and not in connection with the borrowing of money such as mechanics , materialmen s, carriers or other similar liens;

liens on property securing obligations issued by a domestic governmental issuer to finance the cost of an acquisition or construction of that property; and

extensions, substitutions, replacements, refinancings or renewals (or successive extensions, substitutions, replacements, refinancings or renewals), in whole or in part, of the foregoing or of Funded Debt secured in reliance on the second bullet point under the first paragraph above, in each case, if the principal amount of the Funded Debt secured thereby is not increased and is not secured by any additional assets.

Limitation on Sale and Leaseback Transactions

The indenture provides that, so long as any of the notes remain outstanding, neither we nor any Subsidiary may enter into any arrangement with any Person (other than ourselves or any Subsidiary) where we or a Subsidiary agree to lease any Principal Property which has been or is to be sold or transferred more than 120 days after the later of (i) such Principal Property having been acquired by us or a Subsidiary and (ii) completion of construction and commencement of full operation thereof, by us or a Subsidiary to that person (a *Sale and Leaseback Transaction*). Sale and Leaseback Transactions with respect to facilities financed with specified tax exempt securities are excepted from the definition. This covenant does not apply to leases of a Principal Property for a term of less than three years.

This limitation also does not apply to any Sale and Leaseback Transaction if:

the net proceeds to the Company or a Subsidiary from the sale or transfer equal or exceed the fair value, as determined by our Board of Directors, of the Principal Property so leased,

immediately after giving effect to such Sale and Leaseback Transaction, the Company s Consolidated Fixed Charge Coverage Ratio would be greater than 2.0 to 1.0, or

we, within 120 days after the effective date of the Sale and Leaseback Transaction, apply an amount equal to the fair value as determined by the Company s Board of Directors of the Principal Property so leased to:

the prepayment or retirement of our Funded Debt, which may include the notes; or

the acquisition of additional real property.

Events of Default

The events of default applicable to the notes will consist of the following:

failure to pay the principal of, or premium, if any, on any of the notes when due and payable (whether at maturity, by call for redemption, by declaration of acceleration or otherwise);

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failure to make a payment of any interest on any note when due and payable, which failure shall have continued for a period of 30 days;

our, or any subsidiary guarantor s, failure to perform or observe any other covenants or agreements in the indenture or in the notes which failure shall have continued for a period of at least 90 days after written notice to us or the guarantors, as the case may be, by the trustee or to us and the trustee from the holders of not less than 25% of the aggregate principal amount of the then outstanding notes *provided*, that, notwithstanding the foregoing, in no event shall an event of default with respect to any failure by us to comply with the reporting provisions of the indenture or any failure by us to comply with the requirements of Section 314(a)(1) of the Trust Indenture Act (which relates to the provision of reports) be deemed to have occurred unless (x) such report is past due hereunder by at least 180 days and