Express Scripts Administrators, LLC
Form 424B5
February 24, 2016
Table of Contents

Filed Pursuant to Rule 424(b)(5)

Registration No. 333-196442

CALCULATION OF REGISTRATION FEE

Title of each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(1)
3.30% Senior Notes due 2021		
4.50% Senior Notes due 2026	$2,000,000,000	$201,400

(1) The filing fee is calculated in accordance with Rule 457(r) under the Securities Act of 1933.

Table of Contents

PROSPECTUS SUPPLEMENT

(TO PROSPECTUS DATED JUNE 2, 2014)

EXPRESS SCRIPTS HOLDING COMPANY

$500,000,000 3.300% Senior Notes due 2021

$1,500,000,000 4.500% Senior Notes due 2026

We are offering $500,000,000 aggregate principal amount of 3.300% Senior Notes due 2021 (the 2021 notes) and $1,500,000,000 aggregate principal amount of 4.500% Senior Notes due 2026 (the 2026 notes and, together with the 2021 notes, the notes). We will pay interest on the notes on February 25 and August 25 of each year, beginning on August 25, 2016.

We may redeem some or all of the notes at our option at any time and from time to time at the applicable redemption prices described in this prospectus supplement under Description of the Notes Optional Redemption. We must offer to repurchase the notes upon the occurrence of a change of control triggering event at the price described in the accompanying prospectus under Description of Debt Securities Purchase of Debt Securities Upon a Change of Control Triggering Event.

The notes will be jointly and severally and fully and unconditionally guaranteed on a senior basis by certain of our current and future 100% owned domestic subsidiaries. See Description of the Notes Guarantees. The notes and guarantees will be our and our subsidiary guarantors general unsecured obligations and will rank equally in right of payment with our and our subsidiary guarantors other senior indebtedness from time to time outstanding. The notes will be effectively subordinated to our and our subsidiary guarantors secured indebtedness to the extent of the value of the collateral securing such indebtedness. The notes will be structurally subordinated in right of payment to the obligations (including trade payables) of our subsidiaries that are not guarantors. The notes will not be listed on any securities exchange.

Investing in the notes involves risks. See "Risk Factors" beginning on page S-9 of this prospectus supplement to read about important factors you should consider before buying the notes.

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

	Price to Public(1)	Underwriting Discounts and Commissions	Proceeds to Express Scripts Holding Company(1)
Per 2021 note	99.790%	0.600%	99.190%
2021 notes total	$ 498,950,000	$ 3,000,000	$ 495,950,000
Per 2026 note	99.467%	0.650%	98.817%
2026 notes total	$ 1,492,005,000	$ 9,750,000	$ 1,482,255,000

(1) Plus accrued interest, if any, from and including February 25, 2016 if settlement occurs after that date to the date of delivery.

Delivery of the notes to investors in registered book-entry form only through the facilities of The Depository Trust Company ("DTC") will be made on or about February 25, 2016. Beneficial interests in the notes will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants, including Clearstream Banking, *société anonyme*, and Euroclear Bank S.A./N.V., as operator of the Euroclear System.

Joint Book-Running Managers

Citigroup **Credit Suisse** **Morgan Stanley** **BofA Merrill Lynch** **J.P. Morgan**

Co-Managers

Mizuho Securities **MUFG** **RBC Capital Markets**

Credit Agricole CIB **Deutsche Bank Securities** **Scotiabank**

SMBC Nikko **SunTrust Robinson Humphrey** **TD Securities**

US Bancorp **Wells Fargo Securities**

The date of this prospectus supplement is February 22, 2016.

Table of Contents

TABLE OF CONTENTS

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part consists of this prospectus supplement, which describes the specific terms of the offering. The second part consists of the accompanying prospectus, which gives more general information, some of which may not be applicable to the offering.

If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement. You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and in any related free writing prospectus we file with the Securities and Exchange Commission (the SEC).

We have not, and the underwriters have not, authorized any other person 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 assume that the information appearing in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

In this prospectus supplement, unless otherwise specified or the context requires otherwise, we use the terms Express Scripts, the Company, we, us and our to refer to Express Scripts Holding Company and its subsidiaries.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Information we have included or incorporated by reference in this prospectus supplement and the accompanying prospectus contains or may contain forward-looking statements. These forward-looking statements include, among others, statements of our plans, objectives, expectations (financial or otherwise) or intentions.

Our forward-looking statements involve risks and uncertainties. Our actual results may differ significantly from those projected or suggested in any forward-looking statements. We do not undertake any obligation to release publicly any revisions to such forward-looking statements to reflect events or circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Any number of factors could cause our actual results to differ materially from those contemplated by any forward-looking statements, including, but not limited to, the risks associated with the following:

- our ability to remain profitable in a very competitive marketplace depends upon our continued ability to attract and retain clients while maintaining our margins, differentiate our products and services from those of our competitors, and develop and cross-sell new products and services to our existing clients;
- our failure to anticipate and appropriately adapt to changes or trends within the rapidly changing healthcare industry;

changes in applicable laws, rules or regulations, or their interpretation or enforcement, or the enactment of new laws, rules or regulations, which apply to our business practices (past, present or future) or require us to spend significant resources for compliance;

a failure in the security or stability of our technology infrastructure, or the infrastructure of one or more of our key vendors;

our failure to execute on, or other issues arising under, certain key client contracts;

significant changes within the pharmacy provider marketplace, including the loss of or adverse change in our relationship with one or more key pharmacy providers;

changes to the healthcare industry designed to manage healthcare costs or alter healthcare financing practices or changes to government policies in general;

a significant failure or disruption in service within our operations or the operations of our vendors;

changes relating to Medicare Part D, our failure to comply with Centers for Medicare & Medicaid Services (CMS) regulatory requirements, our failure to comply with CMS contractual requirements applicable to us as a Medicare Part D PDP sponsor or our failure to otherwise execute on our strategies related to Medicare Part D;

our failure to effectively execute on strategic transactions or successfully integrate the business operations or achieve the anticipated benefits from any acquired businesses;

a failure to adequately protect confidential health information received and used in our business operations;

the termination, loss, or an unfavorable modification, of our relationship with one or more key pharmaceutical manufacturers, or the significant reduction in payments made or discounts provided by pharmaceutical manufacturers;

results in pending and future litigation, investigations or other proceedings which could subject us to significant monetary damages or penalties and/or require us to change our business practices, or the costs incurred in connection with such proceedings;

our failure to attract and retain talented employees, or to manage succession and retention for our Chief Executive Officer or other key executives;

changes in drug pricing or industry pricing benchmarks;

the impact of our debt service obligations on the availability of funds for other business purposes, the terms of and our required compliance with covenants relating to our indebtedness and our access to the credit markets in general;

the delay, reduction, suspension or cancellation of government spending or appropriations relating to our business;

general economic conditions; and

other risks described from time to time in our filings with the SEC.

These and other relevant factors, including those risk factors identified in our Annual Report on Form 10-K and our other filings under the Securities Exchange Act of 1934, as amended (Exchange Act), parts of which are incorporated by reference in this prospectus supplement, should be carefully considered when reviewing any forward-looking statement. See Where You Can Find More Information and Incorporation of Certain Information by Reference.

Table of Contents

SUMMARY

This summary highlights selected information about us and the offering. This summary is not complete and does not contain all of the information that may be important to you. You should read carefully this entire prospectus supplement and the accompanying prospectus, including the Risk Factors section, and the other documents that we refer to and incorporate by reference herein for a more complete understanding of us and the offering. In particular, we incorporate by reference important business and financial information into this prospectus supplement and the accompanying prospectus.

Our Business

We are the largest stand-alone pharmacy benefit management (PBM) company in the United States, offering a full range of services to our clients, which include managed care organizations, health insurers, third-party administrators, employers, union-sponsored benefit plans, workers compensation plans, government health programs, providers, clinics, hospitals and others. We put medicine within reach of patients while helping health benefit providers improve access and affordability to prescription drugs. We improve patient outcomes and help control the cost of the drug benefit by:

- providing products and solutions that focus on improving patient outcomes and assist in controlling costs;
- evaluating drugs for efficacy, value and price to assist clients in selecting a cost-effective formulary;
- offering cost-effective home delivery pharmacy and specialty services that result in cost savings for plan sponsors and better care for members;
- leveraging purchasing volume to deliver discounts to health benefit providers; and
- promoting the use of generics and lower-cost brands.

We work with clients, manufacturers, pharmacists and physicians to improve members health outcomes and satisfaction, increase efficiency in drug distribution and manage costs in the pharmacy benefit. We believe our clients can achieve the best financial and health outcomes when they use our comprehensive set of solutions to manage drug spend. For example, our management toward greater use of generic drugs and lower-cost brand drugs has resulted in significant reductions in spending for commercially insured consumers and their employers.

We have two business segments based on products and services offered: PBM and Other Business Operations.

Our revenues are generated primarily from the delivery of prescription drugs through our contracted network of retail pharmacies, our home delivery pharmacies and our specialty pharmacies. Revenues from the delivery of prescription drugs to our members represented 98.0% of our revenues in 2015, 98.4% in 2014 and 98.8% in 2013. Revenues from services, such as the fees associated with the administration of retail pharmacy networks contracted by certain clients, medication counseling services and certain specialty distribution services, accounted for the remainder of our revenues.

Prescription drugs are dispensed to members of the health plans we serve primarily through networks of retail pharmacies under non-exclusive contracts with us and through home delivery fulfillment pharmacies, specialty drug pharmacies and fertility pharmacies we operate. More than 70,000 retail pharmacies, which represent over 97% of all United States retail pharmacies, participated in one or more of our networks as of December 31, 2015. The top ten retail pharmacy chains in the United States represent approximately 62% of the total number of stores in our largest network.

Table of Contents

Recent Developments

Concurrent Tender Offer for Senior Notes

Concurrently with the offering, we have commenced a cash tender offer (the Tender Offer) to purchase for cash any and all of the 3.125% senior notes due 2016 (CUSIP No. 302182AF7) issued by our subsidiary Express Scripts, Inc. (ESI), of which $1,500.0 million are currently outstanding (the Tender Notes). The Tender Offer is being made upon the terms and conditions set forth in our offer to purchase, dated February 22, 2016 (the Offer to Purchase), and in the related letter of transmittal and notice of guaranteed delivery, which together, as they may be amended from time to time, constitute the Tender Offer Documents.

The Tender Offer is scheduled to expire at 5:00 p.m., New York City time, on February 26, 2016, unless extended or earlier terminated. The Settlement Date is scheduled to be March 2, 2016.

The Tender Offer is subject to a number of conditions that may be waived or changed. The offering is not conditioned on the closing of the Tender Offer, and we cannot assure you that we will repurchase the Tender Notes on the terms we describe in this prospectus supplement or at all.

In the event that all of Tender Notes are not tendered in the Tender Offer or the Tender Offer is not consummated, we intend to use a portion of the net proceeds from the offering to redeem such outstanding Tender Notes in accordance with the terms and conditions of the indenture governing the Tender Notes.

This prospectus supplement is not an offer to purchase the Tender Notes. The Tender Offer is being made only by and pursuant to the terms of the Tender Offer Documents. The offering is not conditioned on the tender of the Tender Notes in the Tender Offer or any redemption of the Tender Notes, and we cannot assure you that any holders of the Tender Notes will tender their Tender Notes in the Tender Offer or that we will redeem the Tender Notes on the terms described in this prospectus supplement or at all. The statements of intent in this prospectus supplement with respect to the redemption of the Tender Notes do not constitute a notice of redemption under the indenture governing the Tender Notes.

Corporate Information

ESI was incorporated in Missouri in September 1986, and was reincorporated in Delaware in March 1992. Aristotle Holding, Inc. was incorporated in Delaware in July 2011. On April 2, 2012, ESI consummated a merger (the Merger) with Medco Health Solutions, Inc. (Medco) and both ESI and Medco became wholly-owned subsidiaries of Aristotle Holding, Inc. Aristotle Holding, Inc. was renamed Express Scripts Holding Company (the Company or Express Scripts) concurrently with the consummation of the Merger. We, our or us refers to Express Sc Holding Company and its subsidiaries on a consolidated basis.

Our principal executive offices are located at One Express Way, Saint Louis, Missouri 63121. Our telephone number is (314) 996-0900 and our website is www.express-scripts.com. The information on, or accessible through, our website is not part of this prospectus supplement and should not be relied upon in connection with making any investment decision with respect to the securities offered by this prospectus supplement.

Table of Contents

The Offering

The following is a brief summary of some of the terms of the offering. For a more complete description of the terms of the notes, please refer to Description of the Notes in this prospectus supplement and Description of Debt Securities in the accompanying prospectus. You should read carefully this entire prospectus supplement and the accompanying prospectus for a more complete understanding of us and the offering.

Issuer	Express Scripts Holding Company
Notes Offered	$500,000,000 aggregate principal amount of 2021 notes.
	$1,500,000,000 aggregate principal amount of 2026 notes.
Maturity Dates	The 2021 notes will mature on February 25, 2021, and the 2026 notes will mature on February 25, 2026.
Interest Payment Dates	February 25 and August 25 of each year, beginning on August 25, 2016.
Interest Rates	The 2021 notes will bear interest at 3.300% per year.
	The 2026 notes will bear interest at 4.500% per year.
Guarantees	All payments with respect to the notes, including principal and interest, will be jointly and severally and fully and unconditionally guaranteed on a senior unsecured basis by certain of our 100% owned domestic subsidiaries, each of which is a guarantor of our obligations under our existing revolving credit facility, our existing term loan facility and our existing senior notes. We expect the notes will also be guaranteed in the future by certain subsidiaries under the circumstances described in the accompanying prospectus under Description of Debt Securities Covenants Additional Guarantors.
Ranking	The notes and the note guarantees:
	will be our and our subsidiary guarantors general unsecured obligations;
	will rank equally in right of payment with our and our subsidiary guarantors other senior indebtedness from time to time outstanding;
	will be effectively subordinated to our and our subsidiary guarantors secured indebtedness to the extent of the value of the collateral securing such indebtedness; and

will be structurally subordinated in right of payment to all indebtedness and other liabilities of our non-guarantor subsidiaries.

Other than capital leases, we and our subsidiary guarantors do not currently have any secured indebtedness.

Optional Redemption	At any time prior to January 26, 2021 (30 days prior to the maturity date of the 2021 notes) and November 27, 2025 (90 days prior to the maturity date of the 2026 notes), the applicable notes will be redeemable, at our option, in whole or in part at any time and from time to time, at the make-whole redemption prices described in Description of the Notes Optional Redemption. At any time on or after January 26, 2021 (30 days prior to the maturity date of the 2021 notes) and November 27, 2025 (90 days prior to the maturity date of the 2026 notes), the applicable notes will be redeemable, in whole or in part, at our option at any time and from time to time at a redemption price equal to 100% of the principal amount of such notes to be redeemed plus accrued and unpaid interest on the principal amount being redeemed to the date of redemption.
Offer to Repurchase Upon Change of Control Triggering Event	Upon the occurrence of a change of control triggering event (which includes certain ratings downgrades) in respect of a series of notes as provided in the indenture, we will be required to offer to repurchase the notes of such series for cash at a price of 101% of the aggregate principal amount of the notes repurchased, plus accrued and unpaid interest.
Covenants	The indenture governing the notes will contain covenants that, among other matters, limit: our ability to consolidate with or merge with or into, or convey, transfer or lease all or substantially all of our properties and assets to, another person; our and certain of our subsidiaries ability to create or assume liens; and our and certain of our subsidiaries ability to engage in sale and leaseback transactions. These covenants are subject to important exceptions and qualifications, which are described under the heading Description of the Notes Covenants in this prospectus supplement and Description of Debt Securities Covenants in the accompanying prospectus.
Use of Proceeds	We estimate the net proceeds from the offering will be approximately $1,978.2 million after deducting underwriting discounts and commissions and before deducting other estimated offering expenses payable by us. We intend to use a portion of the net proceeds from the offering to fund the purchase price and accrued and unpaid interest for the Tender Notes validly tendered and accepted for payment in the Tender Offer, and to fund the redemption price and accrued and unpaid interest for any of the Tender Notes that remain outstanding after the completion or termination of the Tender Offer. We intend to use the remaining proceeds to fund repurchases of our common stock pursuant to our share repurchase program and for general corporate purposes. Repurchases of our common stock may be made pursuant

	to open market transactions, block trades, privately negotiated transactions, accelerated share repurchase programs or other means or a combination of the aforementioned. Pending such uses, the proceeds of the offering will be held in the form of U.S. Treasury securities and other highly liquid instruments.
Absence of Markets for the Notes	The notes of each series are new issues of securities with no established trading markets. We currently do not intend to apply to list any series of notes on any securities exchange or to seek their admission to trading on any automated quotation system. Accordingly, we cannot provide any assurance as to the development or liquidity of any markets for the notes. See Underwriting.
Risk Factors	You should carefully consider the information set forth in the Risk Factors section of this prospectus supplement as well as all other information included or incorporated by reference in this prospectus supplement before deciding whether to invest in the notes.
Governing Law	The notes and the indenture will be governed by, and construed in accordance with, the laws of the State of New York.

Table of Contents

Summary Historical Consolidated Financial Data

We derived the summary historical consolidated statement of operations data, the statement of cash flows data and the other data for the years ended December 31, 2015, 2014 and 2013, and the summary historical consolidated balance sheet data as of December 31, 2015 and 2014, presented below from our audited consolidated financial statements incorporated by reference into this prospectus supplement.

You should read the summary historical consolidated financial data in conjunction with the information in our annual management s discussion and analysis of financial condition and results of operations incorporated by reference into this prospectus supplement, as well as our consolidated financial statements and the related notes thereto incorporated by reference into this prospectus supplement. See Where You Can Find More Information and Incorporation of Certain Information by Reference.

	Year Ended December 31,		
	2015	2014	2013
	(in millions, except per claim data and ratios)		
Statement of operations data:			
Revenues[1]	$ 101,751.8	$ 100,887.1	$ 104,098.8
Cost of revenues[1]	93,349.9	92,962.0	95,966.4
Gross profit	8,401.9	7,925.1	8,132.4
Selling, general and administrative	4,062.6	4,322.7	4,580.7
Operating income	4,339.3	3,602.4	3,551.7
Other expense, net	(475.5)	(536.2)	(521.4)
Income before income taxes	3,863.8	3,066.2	3,030.3
Provision for income taxes	1,364.3	1,031.2	1,104.0
Net income from continuing operations	2,499.5	2,035.0	1,926.3
Net loss from discontinued operations, net of tax[2]			(53.6)
Net income	2,499.5	2,035.0	1,872.7
Less: Net income attributable to non-controlling interest	23.1	27.4	28.1
Net income attributable to Express Scripts	$ 2,476.4	$ 2,007.6	$ 1,844.6
Cash flow data:			
Cash flows provided by operating activities continuing operations	$ 4,848.3	$ 4,549.0	$ 4,768.9
Cash flows used in investing activities continuing operations	(268.5)	(411.9)	(70.0)
Cash flows used in financing activities continuing operations	(3,217.0)	(4,289.7)	(5,494.8)
Other data:			
Total claims continuing operations	1,043.8	1,062.1	1,206.5
Total adjusted claims continuing operations[3]	1,298.6	1,309.8	1,478.0
EBITDA from continuing operations attributable to Express Scripts[4]	$ 6,675.3	$ 5,817.9	$ 5,970.6
Adjusted EBITDA from continuing operations attributable to Express Scripts[5]	$ 7,046.9	$ 6,802.5	$ 6,664.2
Adjusted EBITDA from continuing operations attributable to Express Scripts per adjusted claim[5]	5.43	5.19	4.51
Ratio of earnings to fixed charges[6]	8.4	6.7	6.4

	As of December 31, 2015	2014
	(in millions)	
Balance sheet data:		
Cash and cash equivalents	$ 3,186.3	$ 1,832.6
Receivables, net	6,721.3	5,979.8
Total current assets(7)	12,059.5	10,568.1
Total assets(7)	53,243.3	53,748.3
Total liabilities(7)	35,862.8	33,684.3
Total stockholders equity	17,380.5	20,064.0

(1) Includes retail pharmacy co-payments of $9,170.0, $10,272.7 and $12,620.3 for the years ended December 31, 2015, 2014 and 2013, respectively.

(2) Primarily consists of the results of operations from the discontinued operations of our acute infusion therapies line of business, various portions of our United BioSource (UBC) line of business, Europa Apotheek Venlo B.V. (EAV) and our European operations. Our acute infusion therapies line of business was classified as a discontinued operation in 2013. Portions of UBC, EAV and our European operations were classified as discontinued operations in 2012.

(3) Includes an adjustment to certain network claims to reflect an approximate 30-day equivalent fill and reflects home delivery claims multiplied by three, as home delivery claims typically cover a time period three times longer than network claims.

(4) EBITDA from continuing operations attributable to Express Scripts is earnings before income taxes, depreciation and amortization and other expense. EBITDA from continuing operations attributable to Express Scripts is presented because it is a widely accepted indicator of a company s ability to service indebtedness and is frequently used to evaluate a company s performance. EBITDA from continuing operations attributable to Express Scripts, however, should not be considered as an alternative to net income, as a measure of operating performance, as an alternative to cash flow, as a measure of liquidity or as a substitute for any other measure computed in accordance with accounting principles generally accepted in the United States. In addition, our definition and calculation of EBITDA from continuing operations attributable to Express Scripts may not be comparable to that used by other companies.

(5) Adjusted EBITDA from continuing operations attributable to Express Scripts and adjusted EBITDA from continuing operations attributable to Express Scripts per adjusted claim are supplemental measurements used by analysts and investors to help evaluate overall operating performance. We have calculated adjusted EBITDA from continuing operations attributable to Express Scripts excluding transaction and integration costs recorded each year, and a legal settlement, as these charges are not considered an indicator of ongoing company performance. Adjusted EBITDA from continuing operations attributable to Express Scripts per adjusted claim is calculated by dividing adjusted EBITDA from continuing operations attributable to Express Scripts by the adjusted claim volume for the period. This measure is used as an indicator of EBITDA from continuing operations attributable to Express Scripts performance on a per-unit basis. Adjusted EBITDA from continuing operations attributable to Express Scripts and, as a result, adjusted EBITDA from continuing operations attributable to Express Scripts per adjusted claim, are each affected by the changes in claims volume between retail and home delivery and the relative representation of brand-name, generic and specialty pharmacy drugs, as well as the level of efficiency in the business.

(6) For purposes of calculating the ratio of earnings to fixed charges, earnings represent income from continuing operations before income taxes, adjusted to include distributed equity income from joint venture, plus fixed charges less income attributable to non-controlling interest. Fixed charges include interest expense and our estimate of the interest component of rent expense.

(7) Balances as of December 31, 2015 reflect the prospective change to the balance sheet presentation of deferred taxes in conjunction with the adoption of ASU 2015-17. Under this guidance, all deferred tax assets and liabilities are classified as long-term.

Provided below is a reconciliation of net income attributable to Express Scripts to each of EBITDA from continuing operations attributable to Express Scripts and adjusted EBITDA from continuing operations attributable to Express Scripts as we believe it is the most directly comparable measure calculated under GAAP.

	Year Ended December 31,		
	2015	2014	2013
		(in millions)	
Net income attributable to Express Scripts	$ 2,476.4	$ 2,007.6	$ 1,844.6
Net loss from discontinued operations, net of tax[(1)]			53.6
Net income from continuing operations	2,476.4	2,007.6	1,898.2
Provision for income taxes	1,364.3	1,031.2	1,104.0
Depreciation and amortization[(2)]	2,359.1	2,242.9	2,447.0
Other expense, net	475.5	536.2	521.4
EBITDA from continuing operations attributable to Express Scripts[(3)]	6,675.3	5,817.9	5,970.6
Transaction and integration costs[(2)]	311.6	984.6	693.6
Legal settlement	60.0		
Adjusted EBITDA from continuing operations attributable to Express Scripts[(4)]	$ 7,046.9	$ 6,802.5	$ 6,664.2

(1) Primarily consists of the results of operations from the discontinued operations of our acute infusion therapies line of business, various portions of our UBC line of business, EAV and our European operations. Our acute infusion therapies line of business was classified as a discontinued operation in 2013. Portions of UBC, EAV and our European operations were classified as discontinued operations in 2012.

(2) Depreciation and amortization presented above includes $205.2 million, $92.1 million and $31.6 million for the years ended December 31, 2015, 2014 and 2013, respectively, of depreciation related to the integration of Medco which is not included in transaction and integration costs.

(3) EBITDA from continuing operations attributable to Express Scripts is earnings before income taxes, depreciation and amortization and other expense. EBITDA from continuing operations attributable to Express Scripts is presented because it is a widely accepted indicator of a company s ability to service indebtedness and is frequently used to evaluate a company s performance. EBITDA from continuing operations attributable to Express Scripts, however, should not be considered as an alternative to net income, as a measure of operating performance, as an alternative to cash flow, as a measure of liquidity or as a substitute for any other measure computed in accordance with accounting principles generally accepted in the United States. In addition, our definition and calculation of EBITDA from continuing operations attributable to Express Scripts may not be comparable to that used by other companies.

(4) Adjusted EBITDA from continuing operations attributable to Express Scripts is a supplemental measurement used by analysts and investors to help evaluate overall operating performance. We have calculated adjusted EBITDA from continuing operations attributable to Express Scripts excluding transaction and integration costs recorded each year, and a legal settlement, as these charges are not considered an indicator of ongoing company performance. Adjusted EBITDA from continuing operations attributable to Express Scripts is affected by the changes in claims volume between retail and home delivery and the relative representation of brand-name, generic and specialty pharmacy drugs, as well as the level of efficiency in the business.

Table of Contents

RISK FACTORS

An investment in the notes involves certain risks. Before making an investment decision, you should carefully read and consider the risk factors described below as well as the matters discussed under Risk Factors in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015 and the other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus, as the same may be updated from time to time by our future filings with the SEC under the Exchange Act. Our business, financial condition or results of operations could be materially adversely affected by any of these risks. You may lose all or part of your investment. In addition, please read Cautionary Statement Regarding Forward-Looking Statements in this prospectus supplement where we describe additional uncertainties associated with our business and the forward-looking statements included or incorporated by reference in this prospectus supplement and the accompanying prospectus. Please note that additional risks not presently known to us or that we currently deem immaterial may also impair our business and operations.

Risks Related to the Offering

Higher levels of indebtedness and increased debt service obligations will effectively reduce the amount of funds available for other business purposes and may adversely affect us.

We have a significant amount of indebtedness. As of December 31, 2015, after giving pro forma effect to the offering and the anticipated use of proceeds therefrom, we would have had approximately $16,072.2 million of indebtedness outstanding. We intend to use a portion of the net proceeds from the offering to fund the purchase price and accrued and unpaid interest for the Tender Notes validly tendered and accepted for payment in the Tender Offer, and to fund the redemption price and accrued and unpaid interest for any of the Tender Notes that remain outstanding after the completion or termination of the Tender Offer. We intend to use the remaining proceeds to fund repurchases of our common stock pursuant to our share repurchase program and for general corporate purposes. Accordingly, it is likely that most of the proceeds from the offering will not be used to make any investments that could potentially increase our earnings or enhance our ability to service our increased levels of indebtedness.

The offering is not conditioned on the tender of the Tender Notes in the Tender Offer or any redemption of the Tender Notes, and we cannot assure you that any holders of the Tender Notes will tender their Tender Notes in the Tender Offer or that we will redeem the Tender Notes on the terms described in this prospectus supplement or at all.

We may also incur additional long-term debt and working capital lines of credit to meet future financing needs, subject to certain restrictions under our indebtedness, including the notes, our existing revolving facility, our existing term facility and our existing senior notes, which would increase our total debt.

Interest costs related to the notes will be substantial and our increased level of indebtedness could reduce funds available for acquisitions, capital expenditures or other business purposes, impact our ratings, restrict our financial and operating flexibility or create competitive disadvantages compared to other companies with lower debt levels.

Our ability to make payments of principal and interest on our indebtedness, including the notes, depends upon our future performance, which will be subject to general economic conditions and financial, business and other factors affecting our consolidated operations, many of which are beyond our control. If we are unable to generate sufficient cash flow from operations in the future to service our debt and meet our other cash requirements, we may be required, among other things:

- to seek additional financing in the debt or equity markets;

- to refinance or restructure all or a portion of our indebtedness, including the notes;

- to sell selected assets or businesses; or

- to reduce or delay planned capital or operating expenditures.

Such measures might not be sufficient to enable us to service our debt, including the notes, and meet our other cash requirements. In addition, any such financing, refinancing or sale of assets might not be available at all or on economically favorable terms.

As a holding company, we require cash from our subsidiaries to make payments on the notes.

The issuer of the notes is a holding company. As a holding company, our cash flow and ability to service our indebtedness, including the notes, is dependent upon the earnings of our subsidiaries and the distribution of those earnings to us or upon the payment of funds to us by those subsidiaries. Our subsidiaries are separate and distinct legal entities that have no obligation, contingent or otherwise, to pay any amounts due pursuant to the notes (other than in respect of the guarantees of the notes by the guarantors) or to make funds available to us. The payment of dividends and the making of loans and advances to us by our subsidiaries may be subject to contractual or statutory restrictions, is contingent upon the earnings of those subsidiaries and is subject to various business considerations. As a holding company, if we are unable to obtain cash from our subsidiaries, we may be unable to fund required payments in respect of the notes.

Upon a change of control triggering event with respect to a particular series of notes, we may not be able to repurchase all of such notes, which would result in a default under the indenture in respect of such notes.

Upon the occurrence of a change of control triggering event in respect of a particular series of notes, we will be required to offer to repurchase the notes of such series at a price of 101% of the aggregate principal amount of the notes repurchased plus accrued and unpaid interest. For more information, see Description of Debt Securities Purchase of Debt Securities Upon a Change of Control Triggering Event in the accompanying prospectus. However, we may not have sufficient funds to repurchase such notes. In addition, our ability to repurchase notes may be limited by law or the terms of other agreements relating to our indebtedness. The failure to make such repurchase would result in a default under the notes. A change of control may also require us to make an offer to repurchase certain of our other indebtedness and may give rise to a default under our credit facilities. We may not have sufficient funds to repurchase all of the affected indebtedness and repay the amounts owing under our credit facilities.

The limited covenants in the indenture governing the notes and the terms of the notes will not provide protection against significant events that could adversely impact your investment in the notes.

The indenture governing the notes does not:

- restrict our ability to issue additional unsecured debt;

- require us to maintain any financial ratios or specific levels of net worth, revenues, income, cash flow or liquidity and, accordingly, does not protect holders of the notes in the event that we experience significant adverse changes in our financial condition or results of operations;

restrict our subsidiaries ability to issue securities or otherwise incur indebtedness that would be senior to our equity interests in our subsidiaries;

restrict our ability to repurchase or prepay our securities;

restrict our or our subsidiaries ability to make investments or to repurchase or pay dividends or make other payments in respect of our common stock or other securities ranking junior to the notes; or

restrict our or our subsidiaries ability to incur additional indebtedness, including secured indebtedness, that could effectively rank senior to the notes and to engage in sale-leaseback arrangements, subject to certain limits.

Table of Contents

Furthermore, the definition of Change of Control Triggering Event in the indenture governing the notes contains only limited protections. We and our subsidiaries could engage in many types of transactions, such as certain acquisitions, refinancings or recapitalizations, that could substantially affect our capital structure and the value of the notes.

As a result of the foregoing, when evaluating the terms of the notes, you should be aware that the terms of the indenture and the notes will not restrict our ability to engage in, or otherwise be a party to, a variety of corporate transactions, circumstances and events that could have an adverse impact on your investment in the notes.

The notes are unsecured.

The notes are unsecured. While the indenture governing the notes does contain some restrictions on our ability to incur secured indebtedness, the amount of secured indebtedness that we can incur could be substantial. Holders of any secured indebtedness will have claims that are prior to your claims as holders of the notes, to the extent of the value of the assets securing such indebtedness, in the event of any bankruptcy, liquidation or similar proceeding involving us.

The notes are structurally subordinated to all liabilities of our subsidiaries that do not guarantee the notes.

The notes will not be guaranteed by certain of our current and future subsidiaries, and under certain circumstances subsidiaries guaranteeing the notes may be released from their guarantees. See Description of the Notes Guarantees. Accordingly, claims of holders of the notes will be structurally subordinated to the claims of creditors of such non-guarantor subsidiaries, including trade creditors. All obligations of such non-guarantor subsidiaries will have to be satisfied before any of the assets of such subsidiaries would be available for distribution, upon a liquidation or otherwise, to us or a guarantor of the notes. As of December 31, 2015, our non-guarantor subsidiaries had an aggregate of approximately $893.7 million of total liabilities outstanding.

Federal and state fraudulent transfer laws may permit a court to void the guarantees, and, if that occurs, you may not receive any payments on the notes or in respect of such guarantees.

Federal and state fraudulent transfer and conveyance statutes may apply to the issuance of the notes and the incurrence of the guarantees. Under federal bankruptcy law and comparable provisions of state fraudulent transfer or conveyance laws, which may vary from state to state, the notes or guarantees could be voided as a fraudulent transfer or conveyance if (1) we or any of the guarantors, as applicable, issued the notes or incurred the guarantees with the intent of hindering, delaying or defrauding creditors or (2) we or any of the guarantors, as applicable, received less than reasonably equivalent value or fair consideration in return for either issuing the notes or incurring the guarantees and, in the case of (2) only, one of the following is also true at the time thereof:

- we or any of the guarantors, as applicable, were insolvent or rendered insolvent by reason of the issuance of the notes or the incurrence of the guarantees;

- the issuance of the notes or the incurrence of the guarantees left us or any of the guarantors, as applicable, with an unreasonably small amount of capital to carry on the business;

we or any of the guarantors intended to, or believed that we or such guarantor would, incur debts beyond our or such guarantor s ability to pay as they mature; or

we or any of the guarantors was a defendant in an action for money damages, or had a judgment for money damages docketed against us or such guarantor if, in either case, after final judgment, the judgment is unsatisfied.

If a court were to find that the issuance of the notes or the incurrence of a guarantee was a fraudulent transfer or conveyance, the court could void the payment obligations under the notes or such guarantee or

Table of Contents

subordinate the notes or such guarantee to our or the applicable guarantors presently existing and future indebtedness, or require the holders of the notes to repay any amounts received with respect to the notes or any such guarantee. If it is found that a fraudulent transfer or conveyance has occurred, you may not receive any repayment on the notes or in respect of the applicable guarantee. Further, if the notes or guarantees are voided, it could result in an event of default with respect to our and our subsidiaries other debt and that could result in acceleration of such debt.

We cannot be certain of the standards that a court would use to determine whether or not we or the guarantors were solvent at the relevant time or, regardless of the standard that a court uses, that the issuance of the notes and the guarantees would not be further subordinated to our or any of our guarantors other debt. Generally, however, an entity would be considered insolvent if, at the time it incurred indebtedness:

- the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all its assets;
- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

Although each guarantee will contain a provision that the obligations of the applicable guarantor under its note guarantee will be limited so as not to constitute a fraudulent conveyance or fraudulent transfer under applicable law, this provision may not be effective to protect such guarantee from being voided under fraudulent transfer law. In a Florida bankruptcy case unrelated to us, the enforceability of this provision was called into question.

There is currently no established trading market for the notes. We cannot assure you that an active trading market for the notes will develop.

Each series of notes is a new issue of securities with no established trading market. We currently do not intend to apply to list the notes on any securities exchange or to seek their admission to trading on any automated quotation system. We have been advised by the underwriters that they presently intend to establish a secondary market in each series of the notes after completion of the offering. However, they are under no obligation to do so and may discontinue any secondary market for the notes at any time without any notice. We cannot assure you as to the liquidity of the trading market for any series of the notes or that an active public market for the notes will develop. If an active public trading market for a series of notes does not develop, the market price and liquidity of such notes will be adversely affected. See Underwriting.

Table of Contents

USE OF PROCEEDS

We estimate the net proceeds from the offering will be approximately $1,978.2 million after deducting underwriting discounts and commissions and before deducting other estimated offering expenses payable by us. We intend to use a portion of the net proceeds from the offering to fund the purchase price and accrued and unpaid interest for the Tender Notes validly tendered and accepted for payment in the Tender Offer, and to fund the redemption price and accrued and unpaid interest for any of the Tender Notes that remain outstanding after the completion or termination of the Tender Offer. We intend to use the remaining proceeds to fund repurchases of our common stock pursuant to our share repurchase program and for general corporate purposes. Repurchases of our common stock may be made pursuant to open market transactions, block trades, privately negotiated transactions, accelerated share repurchase programs or other means or a combination of the aforementioned.
Summary Recent Developments Concurrent Tender Offer for Senior Notes.

Table of Contents

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of December 31, 2015, on an actual basis and on an as adjusted basis to give effect to the offering and the anticipated use of the net proceeds therefrom (after deducting underwriting discounts and commissions and before deducting other estimated offering expenses payable by us). As adjusted amounts will vary from amounts set forth below depending on several factors, including the principal amount of Tender Notes that are tendered in the Tender Offer and potential changes in our use of proceeds from the offering. For purposes of this table, we have assumed that we purchase all Tender Notes in the Tender Offer.

You should read the data set forth in the table below in conjunction with Use of Proceeds and Summary Historical Consolidated Financial Data appearing elsewhere in this prospectus supplement, as well as Management s Discussion and Analysis of Financial Condition and Results of Operations and our audited financial statements and the accompanying notes, which are incorporated by reference into this prospectus supplement from our Annual Report on Form 10-K for the year ended December 31, 2015.

	As of December 31, 2015	
	Actual	As Adjusted
	(in millions)	
Cash and cash equivalents	$ 3,186.3	$ 3,664.5
Debt(1):		
2015 five-year term loan(2)	2,915.1	2,915.1
2015 two-year term loan(2)	1,995.5	1,995.5
2015 revolving facility(3)		
3.300% senior notes due 2021 offered hereby		496.0
4.500% senior notes due 2026 offered hereby		1,482.2
3.125% senior notes due 2016	1,498.7	
2.650% senior notes due 2017	1,494.4	1,494.4
1.250% senior notes due 2017	498.6	498.6
7.125% senior notes due 2018	1,296.9	1,296.9
7.250% senior notes due 2019	497.4	497.4
2.250% senior notes due 2019	993.1	993.1
4.125% senior notes due 2020	504.9	504.9
4.750% senior notes due 2021	1,237.5	1,237.5
3.900% senior notes due 2022	981.3	981.3
3.500% senior notes due 2024	986.8	986.8
6.125% senior notes due 2041	692.5	692.5
Total debt	15,592.7	16,072.2
Total stockholders equity(4)	17,380.5	17,379.2
Total capitalization	$ 32,973.2	$ 33,451.4

(1) Amount is shown net of unamortized discounts, premiums and net financing costs.

(2) The 2015 five-year term loan and 2015 two-year term loan had average interest rates of 1.45% and 1.33%, respectively, as of December 31, 2015.

(3) At December 31, 2015, no amounts were drawn under the 2015 revolving facility.

(4) Amount is shown net of a loss of $1.3 million related to unamortized discounts and net financing costs on the Tender Notes. Amount excludes redemption costs related to the Tender Notes.

DESCRIPTION OF THE NOTES

The following description of certain material terms of the notes offered hereby does not purport to be complete. This description adds information to the description of the general terms and provisions of the debt securities in the accompanying prospectus. To the extent this summary differs from the summary in the accompanying prospectus, you should rely on the description of notes in this prospectus supplement.

The notes will be issued under and governed by an indenture dated as of November 21, 2011 (the base indenture) among us, the guarantors and Wells Fargo Bank, National Association, as trustee (the trustee), as supplemented by supplemental indentures in respect of each series of the notes to be entered into among us, the guarantors and the trustee (together with the base indenture, the indenture). Although for convenience the 2021 notes and the 2026 notes are referred to as notes, each will be issued as a separate series and will not together have any class voting rights. Accordingly, for purposes of this Description of the Notes, references to notes shall be deemed to refer to each series of notes separately, and not to the 2021 notes and the 2026 notes on any combined basis. Unless otherwise defined herein, capitalized terms used in the following description are defined in the indenture. As used in the following description, the terms we, us, our, and Express Scripts refer to Express Scripts Holding Company and not to any of its subsidiaries, unless the context requires otherwise.

We urge you to read the indenture (including definitions of terms used therein) because it, and not this description, defines your rights as a beneficial holder of the notes. The following description of material terms of the indenture and the notes is a summary only. This description is subject to, and qualified in its entirety by reference to, the actual provisions of the notes and the indenture, which are or will be filed with the SEC. For information about how to obtain copies of the indenture from us, see Where You Can Find More Information.

General

The aggregate principal amount of the 2021 notes offered hereby will initially be limited to $500,000,000 and will mature on February 25, 2021. The aggregate principal amount of the 2026 notes offered hereby will initially be limited to $1,500,000,000 and will mature on February 25, 2026. We may, without the consent of the holders of the applicable series of notes, increase such principal amounts in the future, on the same terms and conditions as the notes of the applicable series being offered hereby (except for the issue date, issue price and, in some cases, the first interest payment date); provided, however, that in the event any subsequently issued notes are not fungible with the applicable series of notes for U.S. federal income tax purposes, such subsequently issued notes will be issued with a separate CUSIP number so that they are distinguishable from the applicable series of notes. All notes will be issued only in fully registered form without coupons in minimum denominations of $2,000 and any integral multiple of $1,000.

The notes will be our senior unsecured obligations and will rank equally in right of payment with all of our other existing and future senior indebtedness, including our guarantees of debt issued by ESI and Medco. The notes will be jointly and severally and fully and unconditionally guaranteed by certain of our domestic wholly owned subsidiaries, each of which is a guarantor or other obligor in respect of our obligations under our existing revolving credit facility, our existing term loan facility and our existing senior notes. The notes will be effectively subordinated to any secured indebtedness we and our subsidiaries may have or incur in the future to the extent of the collateral securing the same and will be structurally subordinated to the obligations (including trade accounts payable) of our subsidiaries that do not guarantee the notes. At December 31, 2015, we had outstanding approximately $15,592.7 million of senior unsecured indebtedness and no secured indebtedness, and our non-guarantor subsidiaries had approximately $893.7 million of liabilities.

The indenture will not contain any covenants or provisions that would afford the holders of the notes protection in the event of a highly leveraged or other transaction that is not in the best interests of noteholders, except to the limited extent described in the accompanying prospectus under Description of Debt Securities Covenants.

Table of Contents

Guarantees

The notes will be jointly and severally and fully and unconditionally guaranteed by certain of our domestic wholly owned subsidiaries, each of which is a guarantor or other obligor in respect of our obligations under our existing revolving credit facility, our existing term loan facilities and our existing senior notes. The notes will also be guaranteed in the future by certain subsidiaries under the circumstances described in the accompanying prospectus under Description of Debt Securities Covenants Additional Guarantors, including any subsidiary that becomes a guarantor of obligations under our existing revolving credit facility or our existing term loan facility, provided that the notes will not be guaranteed by any subsidiaries that are controlled foreign corporations (or any subsidiaries of such controlled foreign corporations) as defined in the Internal Revenue Code of 1986, as amended (the code).

Each guarantor s guarantee of the notes:

- will be a general unsecured obligation of that guarantor;
- will be *pari passu* in right of payment with all existing and future senior indebtedness of that guarantor, but will be effectively subordinated to all of that note guarantor s future secured indebtedness to the extent of the value of the collateral that secures such indebtedness; and
- will be senior in right of payment to all existing and future subordinated indebtedness of that guarantor.

Not all of our subsidiaries will guarantee the notes. In the event of a bankruptcy, liquidation or reorganization of any of these non-guarantor subsidiaries, the non-guarantor subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to us. As of December 31, 2015, our non-guarantor subsidiaries held 3.4% of our consolidated assets and had total liabilities of $893.7 million. For the year ended December 31, 2015, the non-guarantor subsidiaries generated less than 2.1% of our consolidated total revenues and less than 8.4% of our consolidated operating income.

The obligations of each guarantor will be limited as necessary to prevent the guarantees from constituting a fraudulent conveyance under applicable law. If a guarantee is rendered voidable, it could be subordinated by a court to all other indebtedness (including guarantees and other contingent liabilities) of the guarantor, and, depending on the amount of such indebtedness, a guarantor s liability on its guarantee could be reduced to zero. See Risk Factors Risks Related to the Offering Federal and state fraudulent transfer laws may permit a court to void the guarantees, and, if that occurs, you may not receive any payments on the notes or in respect of such guarantees.

The indenture provides for the release of all or some of the subsidiary guarantors of the notes in certain circumstances, including:

- all or substantially all of the equity interests or assets of such guarantor are sold, transferred or otherwise disposed of, other than to us, one of our subsidiaries or one of our affiliates;
- such guarantor is not a borrower, issuer or guarantor under, and has not granted any then-existing lien to secure any obligations pursuant to, our existing revolving credit facility or our existing term loan facility or, in each case, any refinancing or replacement thereof, or any other indebtedness having an aggregate principal amount outstanding in excess of

15% of our consolidated net worth, and is released or discharged from each guarantee and lien granted by such guarantor with respect to all of such indebtedness other than obligations arising under the indenture and any securities issued under the indenture, except discharges or releases by or as a result of payment under such guarantees; or

under the circumstances described in the accompanying prospectus under Description of Debt Securities Covenants Additional Guarantors.

No guarantor currently has any guarantee with respect to, or has incurred or granted any lien to secure, debt of an amount in excess of 15% of our consolidated net worth, other than guarantees of obligations under our existing revolving credit facility, our existing term loan facility and our existing senior notes. Therefore, unless such other debt is hereafter so incurred, guaranteed or secured by a guarantor, if such guarantor is released from its guarantees with respect to our existing revolving credit facility, our existing term loan facility and our existing senior notes, then such guarantor may be released from its guarantee of the notes.

Our existing revolving credit facility and our existing term loan facility provide that a guarantor may be released as a guarantor in certain circumstances, including:

- if all of the capital stock of the subsidiary guarantor is sold to any person pursuant to a sale or other disposition otherwise permitted by the credit agreement in respect of such facility;

- if such guarantor is designated as an exempt subsidiary by us, provided that we may not designate any subsidiary as an exempt subsidiary if, at the time of such proposed designation, and both before and immediately after giving effect to the designation, the total assets of all exempt subsidiaries are equal to or greater than 30% of our total consolidated assets on that date; or

- with the consent of the requisite lenders.

Principal and Interest

The 2021 notes will mature on February 25, 2021 unless we redeem such notes prior to that date, as described below under Optional Redemption. Interest on the 2021 notes will accrue at the rate of 3.300% per year, and will be paid on the basis of a 360-day year of twelve 30-day months. We will pay interest on the 2021 notes semi-annually in arrears on February 25 and August 25 of each year, beginning on August 25, 2016, to the holder in whose name each such note is registered on the day that is 15 days prior to the relevant interest payment date, whether or not such day is a business day.

The 2026 notes will mature on February 25, 2026 unless we redeem such notes prior to that date, as described below under Optional Redemption. Interest on the 2026 notes will accrue at the rate of 4.500% per year, and will be paid on the basis of a 360-day year of twelve 30-day months. We will pay interest on the 2026 notes semi-annually in arrears on February 25 and August 25 of each year, beginning on August 25, 2016, to the holder in whose name each such note is registered on the day that is 15 days prior to the relevant interest payment date, whether or not such day is a business day.

We will make payments in respect of the notes represented by the global notes (as defined below) (including principal, premium, if any, and interest) by wire transfer of immediately available funds to the accounts specified by the depositary. We will make payments in respect of the notes represented by certificated notes (as defined below) (including principal, premium, if any, and interest) by wire transfer of immediately available funds to the accounts specified by the holders of certificated notes or, if no such account is specified, by mailing a check to each holder s registered address. The notes represented by the global notes are expected to be eligible to trade in DTC s Same-Day Funds Settlement System, and any permitted secondary market trading activity in such notes will, therefore, be required by DTC to be settled in immediately available funds. We expect that secondary trading in any certificated notes will also settle in immediately available funds. See Book-Entry.

Neither we nor the trustee will impose any service charge for any transfer or exchange of a note. However, we may ask you to pay any taxes or other governmental charges in connection with a transfer or exchange of notes.

If any interest payment date, stated maturity date or earlier redemption date falls on a day that is not a business day in the City of New York, we will make the required payment of principal, premium, if any, and/or interest on the next business day as if it were made on the date payment was due, and no interest will accrue on the amount so payable for the period from and after that interest payment date, the stated maturity date or earlier redemption date, as the case may be, to the next business day.

Optional Redemption

At any time prior to the applicable par call date for a series of notes, the notes of such series will be redeemable, in whole or in part, at our option at any time and from time to time at a redemption price equal to the greater of:

100% of the aggregate principal amount of any such notes being redeemed, plus accrued and unpaid interest on such notes to the redemption date; and

the sum of the present values of the remaining scheduled payments discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the treasury rate plus 35 basis points in the case of the 2021 notes and 45 basis points in the case of the 2026 notes, in each case plus unpaid interest on the notes being redeemed accrued to the redemption date.

At any time on or after the applicable par call date for a series of notes, the notes of such series will be redeemable, in whole or in part, at our option at any time and from time to time at a redemption price equal to 100% of the principal amount of such notes to be redeemed plus accrued and unpaid interest on the principal amount being redeemed to the date of redemption.

We will pay the interest installment due on any interest payment date that occurs on or before a redemption date to the holders of the affected series of notes as of the close of business on the applicable regular record date.

The term comparable treasury issue means the United States Treasury security or securities selected by an independent investment banker as having an actual or interpolated maturity comparable to the remaining term of the notes of the applicable series being redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the remaining term of such notes (assuming, for the purpose of this definition, that such notes matured on the applicable par call date).

The term comparable treasury price means, with respect to any redemption date:

the average of five reference treasury dealer quotations for the redemption date, after excluding the highest and lowest such reference treasury dealer quotation; or

if the trustee obtains fewer than five reference treasury dealer quotations, the average of all reference treasury dealer quotations for the redemption date so obtained.

The term independent investment banker means one of the reference treasury dealers appointed by the trustee after consultation with us.

The term reference treasury dealer means each of Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Morgan Stanley & Co. LLC and two other primary U.S. government securities dealers selected by us (in each case, or their affiliates and their respective successors); provided that if any of these reference treasury dealers resigns, then the respective successor will be a primary United States government securities dealer in the City of New York selected by us.

The term reference treasury dealer quotations means, with respect to each reference treasury dealer and any redemption date, the average, as determined by the trustee, 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 trustee by such reference tr