

CNA FINANCIAL CAPITAL I
Form S-3/A
March 04, 2010

As filed with the Securities and Exchange Commission on March 4, 2010

Registration No. 333-158901

**SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**AMENDMENT NO. 1
TO
FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

CNA FINANCIAL CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

6331
(Primary standard industrial
classification code number)
333 South Wabash Avenue
Chicago, Illinois 60604
(312) 822-5000

36-6169860
(I.R.S. Employer
Identification No.)

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

SEE TABLE OF ADDITIONAL REGISTRANTS

Jonathan D. Kantor
Executive Vice President, General Counsel and Secretary
CNA Financial Corporation
333 South Wabash Avenue
Chicago, Illinois 60604
(312) 822-5000

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

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

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

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

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

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

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for the same offering: ☐

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

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

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

Large accelerated filer ☐

Accelerated filer ☒

Non-accelerated filer ☐

Smaller reporting
company ☐

(Do not check if a smaller
reporting company)

CALCULATION OF REGISTRATION FEE

Title of Each Class of	Amount to be	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Securities to be Registered	Registered (1)(2)	(3)	Offering Price	Fee
Securities of CNA Financial Corporation:				
Senior debt securities				
Subordinated debt securities				
Subordinated junior debt securities				
Preferred stock, no par value				
Depository shares				
Common stock, \$2.50 par value per share				
Warrants				
Purchase contracts				
Purchase units				
Preferred securities of CNA Financial Capital I				
Preferred securities of CNA Financial Capital II				
Preferred securities of CNA Financial Capital III				
Guarantees of preferred securities of CNA Financial Capital I, CNA Financial Capital II and CNA Financial Capital III by CNA Financial Corporation (4)				
Total	\$2,000,000,000	100%	\$2,000,000,000	\$24,955(5)

(1)

Such indeterminate number or amount of debt securities, preferred stock, depositary shares, common stock, warrants, stock purchase contracts and stock purchase units of CNA Financial Corporation and preferred securities of CNA Financial Capital I, CNA Financial Capital II and CNA Financial Capital III as may from time to time be issued at indeterminate prices. Junior debt securities may be issued by CNA Financial Corporation and sold to CNA Financial Capital I, CNA Financial Capital II and CNA Financial Capital III, in which event such junior debt securities may later be distributed to the holders of preferred securities upon a dissolution of CNA Financial Capital I, CNA Financial Capital II and CNA Financial Capital III and the distribution of the assets thereof.

- (2) Such amount in U.S. dollars or the equivalent thereof in foreign currencies as shall result in an aggregate initial offering price for all securities of \$2.0 billion. In addition, this registration statement includes such presently indeterminate number of securities as may be issuable from time to time upon conversion or exchange of the securities being registered hereunder.
- (3) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457 under the Securities Act of 1933, as amended, and exclusive of accrued interest and dividends, if any.
- (4) CNA Financial Corporation is also registering under this registration statement all other obligations that it may have with respect to preferred securities issued by CNA Financial

Capital I, CNA
Financial Capital
II and CNA
Financial Capital
III. No separate
consideration will
be received for
any guarantee or
any other such
obligations.

- (5) The securities
registered
pursuant to this
registration
statement consist
of unsold
securities
previously
registered on the
Registration
Statement on
Form S-3
(No. 333-140870)
initially filed with
the Securities and
Exchange
Commission on
February 23, 2007
(as amended on
February 23,
2009) (the Prior
Registration
Statement). The
Prior Registration
Statement
registered
securities for a
proposed
maximum
aggregate offering
price of
\$2,000,000,000,
of which
\$350,000,000
were sold. In
connection with
the registration of
all such securities
on the Prior
Registration

Statement, we paid a total registration fee of \$78,600. The portion of such fee that is applicable to the securities that remained unsold under the Prior Registration Statement will continue to be applied to the \$1,650,000,000 maximum aggregate offering price of unsold securities that are included in this registration statement. An additional fee of \$33,000 was paid in connection with the initial filing of this registration statement on April 30, 2009. In addition to the unsold securities from the Prior Registration Statement, this registration statement registers new, additional securities in a proposed maximum aggregate offering price of \$350,000,000; the filing fee for such new securities is paid in connection with the filing of this registration statement.

**CNA Financial Corporation
Table of Additional Registrants**

Name	State of Incorporation /Formation	Primary Standard Industrial Classification Code Number	IRS Employer Identification No. To be applied for. To be applied for. To be applied for.
CNA Financial Capital I	Delaware	6331	
CNA Financial Capital II	Delaware	6331	
CNA Financial Capital III	Delaware	6331	

The address, including zip code, of the principal offices of the additional registrants listed above is: c/o CNA Financial Corporation, 333 South Wabash Avenue, Chicago, Illinois 60604 and the telephone number, including area code, of such additional registrants at that address is (312) 822-5000.

The Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to such Section 8(a), may determine.

The information in this preliminary prospectus is not complete and may be changed. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. This preliminary prospectus is not an offer to sell these securities and is not a solicitation of offers to buy these securities in any state where the offer or sale is not permitted.

**SUBJECT TO COMPLETION
PRELIMINARY PROSPECTUS DATED MARCH 3, 2010**

Prospectus

**\$2,000,000,000
CNA Financial Corporation
Senior Debt Securities
Subordinated Debt Securities
Subordinated Junior Debt Securities
Preferred Stock
Depository Shares
Common Stock
Warrants
Purchase Contracts
Purchase Units**

This prospectus describes some of the general terms that may apply to these securities. The specific terms of any securities to be offered, and any other information relating to a specific offering, will be set forth in a post-effective amendment to the registration statement of which this prospectus is a part, in a supplement to this prospectus or in one or more documents incorporated by reference in this prospectus.

Our common stock is listed on the New York Stock Exchange and the Chicago Stock Exchange under the trading symbol CNA.

**CNA Financial Capital I
CNA Financial Capital II
CNA Financial Capital III
Preferred Securities fully and unconditionally
guaranteed, as described herein, by
CNA Financial Corporation**

Specific terms of these securities will be provided in supplements to this prospectus. You should read this prospectus and any supplement carefully before you invest. This prospectus may not be used to sell these securities without a supplement.

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

The date of this prospectus is

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission using a shelf registration process. This prospectus provides a general description of the securities that may be offered. Each time there is an offer of any of the types of securities described herein, we will prepare and distribute a prospectus supplement that will contain a description of the specific terms of the securities being offered and of the offering. The prospectus supplement may also supplement the information contained in this prospectus. You should read both this prospectus and the applicable prospectus supplement, together with the additional information described below under the heading "Where You Can Find More Information," before purchasing any securities.

You should rely only on the information contained or incorporated by reference in this prospectus and any prospectus supplement. Incorporated by reference means that we can disclose important information to you by referring you to another document filed separately with the Securities and Exchange Commission. We have not authorized any other person to provide you with different information. If anyone provides you with different information, you should not rely on it. Securities will not be offered or sold in any jurisdiction where the offer or sale is not permitted. You should assume that information appearing in this prospectus and any supplement to this prospectus is current only as of the dates on their covers. Our business, financial condition, results of operations and prospects may have changed since that date.

Unless otherwise indicated or unless the context requires otherwise, all references in this prospectus to:

CNAF, we, us, our and similar references mean CNA Financial Corporation;

the CNA Companies and the Company mean CNA Financial Corporation and its subsidiaries; and

the CNA Capital Trusts mean CNA Financial Capital I, CNA Financial Capital II and CNA Financial Capital III.

WHERE YOU CAN FIND MORE INFORMATION

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

Our common stock is listed on the New York Stock Exchange and the Chicago Stock Exchange under the trading symbol CNA. You also can find copies of our Securities and Exchange Commission filings at the offices of these stock exchanges at the addresses listed below:

New York Stock Exchange, Inc., 20 Broad Street, New York, New York 10005; and

Chicago Stock Exchange, Inc., 440 South LaSalle Street, Chicago, Illinois 60603.

The Securities and Exchange Commission allows us to disclose certain information to you in this prospectus by referring you to documents previously filed with the Securities and Exchange Commission that include such information. This process is generally referred to as incorporating by reference. The information incorporated by reference is an important part of this prospectus, and information that we file later with the Securities and Exchange Commission will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings made with the Securities and Exchange Commission under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934 made (i) subsequent to the date of filing of the registration statement containing this prospectus and prior to the effectiveness of the registration statement and (ii) subsequent to the date of this prospectus until this offering is terminated.

Our annual report on Form 10-K for the year ended December 31, 2009;

The description of our common stock contained in the registration statement on Form S-3 (File No. 33-35250) filed on June 6, 1990.

You may request a copy of these filings at no cost, by writing or telephoning us at the following address:

Office of the General Counsel
CNA Financial Corporation
333 South Wabash Avenue
Chicago, Illinois 60604
(312) 822-5000

We have not included, or incorporated by reference, separate financial statements of any of the CNA Capital Trusts. The CNA Capital Trusts have no operating history or independent operations. The limited purposes of the CNA Capital Trusts will be to issue common and preferred securities and to use the proceeds to purchase junior subordinated debt securities from us. We will own all of the common securities of the CNA Capital Trusts and we will fully guarantee all of the obligations of the CNA Capital Trusts. Because of these factors, we do not believe that separate financial statements for the CNA Capital Trusts would be helpful to you in considering an investment in any of the securities offered pursuant to this prospectus.

You should rely only on the information incorporated by reference or provided in this prospectus or any prospectus supplement. We have not authorized anyone else to provide you with different or additional information. An offer of these securities is not being made in any jurisdiction where the offer or sale is not permitted. You should not assume that the information in this prospectus or any prospectus supplement is accurate as of any date other than the date on the front of those documents.

THE CNA COMPANIES

We are a global insurance organization serving businesses with a broad range of commercial property and casualty insurance products and insurance-related services. We serve a wide variety of customers, including small, medium and large businesses, associations, professionals, and groups with a broad range of insurance and risk management products and services. Our insurance products primarily include commercial property and casualty coverages. Our services include risk management, information services, warranty and claims administration. Our products and services are marketed through independent agents, brokers and managing general agents.

In 2009, we wrote approximately \$6.7 billion of annual net premiums. In 2008, we wrote approximately \$7.1 billion of annual net premiums, making our organization the country's seventh largest commercial insurance writer and the 13th largest property casualty insurance organization. Our common stock is listed on the New York Stock Exchange and the Chicago Stock Exchange. The trading symbol for our common stock is CNA. As of March 3, 2010, Loews Corporation owned approximately 90% of our outstanding common stock.

CNAF was incorporated as a Delaware corporation in 1967. Our principal subsidiaries are The Continental Corporation, incorporated in 1968, which is the holding company of Continental Casualty Company, incorporated in 1897. Principal subsidiaries of Continental Casualty Company are Continental Assurance Company, incorporated in 1911, and The Continental Insurance Company (CIC), incorporated in 1853. CIC became a subsidiary of ours in 1995 as a result of the acquisition of The Continental Corporation.

The principal business of the CNA Companies is property and casualty insurance. Continental Casualty Company, The Continental Insurance Company and each of their property and casualty insurance affiliates generally conduct the property and casualty insurance operations of the CNA Companies. Our life and group insurance operations, which have either been sold or are being managed as a run-off operation, are conducted by Continental Casualty Company and Continental Assurance Company. The principal market for insurance products offered by the CNA Companies is the United States.

THE CNA CAPITAL TRUSTS

Each CNA Capital Trust is a statutory business trust formed under Delaware law pursuant to (i) a trust agreement executed by us, as sponsor of the CNA Capital Trust, and a Delaware trustee for that CNA Capital Trust and (ii) the filing of a certificate of trust with the Delaware Secretary of State. Each trust agreement has been amended and restated in its entirety, and is filed as an exhibit to the registration statement of which this prospectus forms a part. Each trust agreement has been qualified as an indenture under the Trust Indenture Act of 1939. Each CNA Capital Trust exists for the exclusive purposes of (i) issuing its common and preferred securities, (ii) using the proceeds from the sale of its securities to acquire a series of junior debt securities that we issue, and (iii) engaging in other related activities.

We will continue to maintain directly or indirectly 100% ownership of the common securities of each CNA Capital Trust, provided that certain successors which are permitted pursuant to the junior indenture may succeed to our ownership of the common securities. The common securities of a CNA Capital Trust rank equal to, and payments will be made thereon in the same proportion, as the preferred securities of such CNA Capital Trust, except that upon the occurrence and continuance of an event of default under a trust agreement resulting from an event of default under the indenture with respect to the junior debt securities, hereafter referred to as a junior debt related event of default, our rights as holder of the common securities to payment in respect of distributions and payments upon liquidation, redemption or otherwise will be subordinated to the rights of the holders of the preferred securities of such CNA Capital Trust.

Unless otherwise specified in the applicable prospectus supplement, each CNA Capital Trust has a term of approximately 55 years, but may terminate earlier as provided in the applicable trust agreement. Each CNA Capital Trust's business and affairs are conducted by its trustees, each appointed by us, as holder of the common securities.

Unless otherwise specified in the applicable prospectus supplement, the trustees for each CNA Capital Trust will be The Bank of New York Mellon Trust Company, N.A. as successor in interest to J.P. Morgan Trust Company, National Association (formerly known as The First National Bank of Chicago), as the property trustee, BNY Mellon Trust of Delaware as successor in interest to Chase Bank USA, National Association, as the Delaware trustee, and two individual trustees, as the administrative trustees, who are employees or officers of or affiliated with the CNA Companies. The property trustee, the Delaware trustee and the administrative trustees are collectively referred to in this prospectus as the issuer trustees. The Bank of New York Mellon Trust Company, N.A., as property trustee, will act as sole indenture trustee under each trust agreement for purposes of compliance with the Trust Indenture Act of 1939. The Bank of New York Mellon Trust Company, N.A. will also act as trustee under the guarantees and the junior debt indenture. The holder of the common securities of a CNA Capital Trust, or the holders of a majority in liquidation amount of the related preferred securities if an event of default in respect of the trust agreement for such CNA Capital Trust has occurred and is continuing, will be entitled to appoint, remove or replace the property trustee and/or the Delaware trustee for such CNA Capital Trust. In no event will the holders of the preferred securities have the right to vote to appoint, remove or replace the administrative trustees; such voting rights are vested exclusively in the holder of the common securities. The duties and obligations of each issuer trustee are governed by the applicable trust agreement. We will pay all fees and expenses related to each CNA Capital Trust and the offering of the preferred securities and will pay, directly or indirectly, all ongoing costs, expenses and liabilities of each CNA Capital Trust.

The principal executive office of each CNA Capital Trust is 333 South Wabash Avenue, Chicago, Illinois 60604 and the telephone number of each is (312) 822-5000.

USE OF PROCEEDS

Except as otherwise described in the applicable prospectus supplement, the net proceeds from the sale of the securities offered pursuant to this prospectus will be added to our general funds and used for general corporate purposes which may include, but are not limited to, prepayment of other debt and capital contributions to our subsidiaries to support such subsidiaries' operations. Each CNA Capital Trust will use all proceeds received from the sale of its securities to purchase our junior debt securities.

RATIOS OF EARNINGS TO FIXED CHARGES

The following table sets forth our ratio of earnings to fixed charges and our ratio of earnings to combined fixed charges and preferred dividends for each of the periods indicated.

	Year Ended December 31,				
	2009	2008	2007	2006	2005
Ratio of earnings to fixed charges	3.1	(a)	7.8	10.0	1.5
Ratio of earnings to fixed charges and preferred dividends	1.4	(b)	7.8	7.0	(c)

(a) For the year ended December 31, 2008, earnings were insufficient to cover fixed charges by \$116 million.

(b) For the year ended December 31, 2008, earnings were insufficient to cover fixed charges and preferred dividends by \$145 million.

(c) For the year ended December 31, 2005, earnings were insufficient to cover fixed charges and preferred dividends by \$1 million.

SECURITIES TO BE OFFERED

Securities to be offered

The following types of securities may be offered and sold from time to time under this prospectus:

- (1) our unsecured senior debt securities;
- (2) our unsecured subordinated debt securities, which together with the unsecured senior debt securities are collectively referred to in this prospectus as the debt securities;
- (3) our junior debt securities;
- (4) shares of our common stock, par value \$2.50 per share;
- (5) shares of our preferred stock, no par value, which may be represented by depositary shares;
- (6) warrants to purchase our debt securities, junior debt securities, common stock, preferred stock or depositary shares;
- (7) purchase contracts to purchase any of our debt securities, junior debt securities, common stock, preferred stock, depositary shares, warrants or preferred securities of the CNA Capital Trusts, which are collectively referred to in this prospectus as the purchase contract securities; and
- (8) purchase units, each representing ownership of a purchase contract and any of (x) our debt securities or junior debt securities, (y) debt obligations of third parties, including treasury bonds and similar obligations of the United States and/or (z) trust preferred securities, securing the holder's obligations to purchase the applicable purchase contract securities under the purchase contract.

Any of the securities may be offered and sold in one or more separate classes or series, in amounts, at prices and on terms to be determined by market conditions at the time of sale and set forth in a prospectus supplement. The securities offered pursuant to this prospectus may be sold for U.S. dollars, foreign denominated currency or currency units. Similarly, the amounts payable by us as dividends, interest, principal or other distributions also may be payable in U.S. dollars, foreign denominated currency or currency units. Debt securities and junior debt securities may consist of debentures, notes or other evidences of indebtedness. We will describe all of these terms in the prospectus supplement relating to the applicable offering.

Securities to be offered through the CNA Capital Trusts

Preferred securities may be offered and sold, from time to time, under each of the CNA Capital Trusts. We will guarantee the obligation of the CNA Capital Trusts to pay (i) periodic cash distributions, (ii) liquidation amounts and (iii) redemption payments with respect to the preferred securities. EACH GUARANTEE WILL BE AN IRREVOCABLE GUARANTEE BY US ON A SUBORDINATED BASIS THAT THE RELATED CNA CAPITAL TRUST WILL PAY ITS OBLIGATIONS UNDER ITS PREFERRED SECURITIES TO THE EXTENT THAT SUCH RELATED CNA CAPITAL TRUST HAS SUFFICIENT FUNDS TO MAKE SUCH PAYMENTS. THE GUARANTEE IS NOT A GUARANTEE OF COLLECTION FROM US. The guarantee is subordinate to all our indebtedness (including any debt securities which may be issued pursuant to this prospectus), except for (i) our indebtedness that is expressly made junior to or equal with such guarantee, (ii) non-recourse indebtedness, (iii) our indebtedness to any of the other CNA Companies or to any of our employees, (iv) our liabilities for taxes, (v) trade debt

incurred in the ordinary course of business and (vi) junior debt securities. In connection with the investment of the proceeds from the offering of preferred securities, CNA Capital Trusts will purchase junior debt securities that we issue in one or more series. The junior debt securities purchased by a CNA Capital Trust may be subsequently distributed pro rata to the holder of preferred securities and common securities of that CNA Capital Trust under certain circumstances.

You should read the summaries below of the securities offered pursuant to this prospectus, as well as the description of the particular securities in any applicable prospectus supplement.

DESCRIPTION OF THE DEBT SECURITIES

The debt securities will consist of notes, debentures or other evidences of indebtedness. Debt securities may be issued from time to time in one or more series. The senior debt securities will be issued under an indenture, dated March 1, 1991, between us and The Bank of New York Mellon Trust Company, N.A. as successor in interest to J.P. Morgan Trust Company, National Association (formerly known as The First National Bank of Chicago), a national banking association, as trustee, as supplemented by a first supplemental indenture, dated as of October 15, 1993, and by a second supplemental indenture, dated as of December 15, 2004. The indenture, as supplemented, governing the senior debt securities is referred to in this prospectus as the senior indenture. The subordinated debt securities will be issued under an indenture between us and The Bank of New York Mellon Trust Company, N.A. as successor in interest to J.P. Morgan Trust Company, National Association, a national banking association, as trustee. The indenture governing the senior subordinated debt is referred to in this prospectus as the subordinated indenture, and the senior indenture and the subordinated indenture are sometimes referred to collectively as the indentures and individually as the indenture. The Bank of New York Mellon Trust Company, N.A., in its capacity as trustee under either or both of the indentures is referred to hereinafter as the trustee.

Each of the indentures has been qualified under the Trust Indenture Act of 1939 and is subject to that Act. Copies of the senior indenture and the form of the subordinated indenture are included as exhibits to the registration statement of which this prospectus forms a part. The following description summarizes the material terms of the indentures and the debt securities. Because it is only a summary, it does not contain all of the details found in the full text of the debt securities and the indentures, including the definitions of certain terms used in the description of the debt securities in this prospectus, and other terms that are made a part of the indentures by the Trust Indenture Act of 1939.

The indentures are substantially identical except for provisions relating to subordination. Any debt securities offered by this prospectus and any accompanying prospectus supplement are referred to herein as the offered debt securities.

General

The indentures do not limit the aggregate principal amount of debt securities that may be issued thereunder and provide that debt securities may be issued from time to time in one or more series and may be denominated and payable in U.S. dollars, foreign currencies or units based on or related to foreign currencies. Offered debt securities may be sold at par, a premium or an original issue discount. Offered debt securities sold at an original issue discount may bear no interest or interest at a below market rate. The specific terms of a series of offered debt securities will be established in or pursuant to a resolution of our board of directors and/or in one or more supplemental indentures. Pursuant to the indentures, we can establish different rights with respect to each series of debt securities issued under the indentures.

The applicable prospectus supplement will provide information for the following terms of the offered debt securities to the extent such terms are applicable to such offered debt securities:

the title of such offered debt securities and the particular series thereof;

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

whether such offered debt securities are to be issuable in registered form, referred to in this prospectus as registered securities, or bearer form, referred to in this prospectus as bearer securities, or both, whether any of such offered debt securities are to be issuable initially in temporary global form and whether any of such offered debt securities are to be issuable in permanent global form;

the price or prices (generally expressed as a percentage of the aggregate principal amount thereof) at which such offered debt securities will be issued;

the date or dates on which such offered debt securities will mature;

the interest rate or rates per annum for the offered debt securities, or the formula by which such interest rate or rates shall be determined for the offered debt securities, the dates from which any such interest on the offered debt securities will accrue and the circumstances, if any, under which we may reset such interest rate or interest rate formula;

the interest payment dates on which any such interest on such offered debt securities will be payable, the regular record date for any interest payable on such offered debt securities that are registered securities on any interest payment date, and the extent to which, or the manner in which any interest payable on a global security on an interest payment date will be paid if other than in the manner described below under Global Securities;

the person to whom interest on any registered security of such series will be payable, if other than the person in whose name such offered debt security (or one or more predecessor offered debt securities) is registered at the close of business on the regular record date for such payment, and the manner in which, or the person to whom, any interest on any bearer security of such series will be payable, if otherwise than upon presentation and surrender of the coupons thereto;

if other than the principal amount of such offered debt securities, the portion of the principal amount of such offered debt securities which shall be payable upon declaration of acceleration of the maturity thereof or provable in bankruptcy;

any mandatory or optional sinking fund or analogous provisions;

each office or agency where, subject to the terms of the applicable indenture as described below under Payments and Paying Agents, the principal of any interest on such offered debt securities will be payable and each office or agency where, subject to the terms of the applicable indenture as described below under Denominations, Registration and Transfer, such offered debt securities may be presented for registration of transfer or exchange;

the date, if any, after which and the price or prices at which, such offered debt securities may be redeemed, pursuant to any optional or mandatory redemption provisions, in whole or in part, and the other detailed terms and provisions of any such optional or mandatory redemption provisions;

the denominations in which such offered debt securities which are registered securities will be issuable, if other than denominations of U.S. \$1,000 and any integral multiple thereof, and the denomination in which such offered debt securities which are bearer securities will be issuable, if other than denominations of U.S. \$5,000;

the currency or currencies of payment of principal of and any premium and interest on such offered debt securities;

any index used to determine the amount of payments of principal or any interest on such debt securities different from those described herein;

the application, if any, of any restrictive covenants or events of default that are in addition to or different from those described herein;

the form of such offered debt security; and

any other terms and provisions of such offered debt securities not inconsistent with the terms and provisions of the applicable indenture including, without limitation, any restrictive covenants which may be applicable to us for the benefit of the holders of such offered debt securities.

Any such prospectus supplement will also describe any special provisions for the payment of additional amounts with respect to such offered debt securities. Offered debt securities of any series may be issued in one or more tranches as described in the applicable prospectus supplement.

If the purchase price of any of the offered debt securities is payable in a foreign currency or currencies or foreign currency unit or units or if the principal of and any premium and interest on any series of debt securities are payable in a foreign currency or currencies or foreign currency unit or units, the restrictions, elections, general tax considerations, specific terms and other information with respect to such issue of debt securities and such foreign currency or currencies or foreign currency unit or units will be described in the applicable prospectus supplement.

Ranking and Subordination

Senior Debt Securities.

The senior debt securities will rank equally with all of our other unsecured and unsubordinated indebtedness. As of December 31, 2009, we had approximately \$2.2 billion aggregate principal amount of indebtedness for borrowed money which would rank *pari passu* with the senior debt securities. The senior indenture does not limit the amount of debt, either secured or unsecured, that we may issue under the senior indenture or otherwise. In addition, our subsidiaries had approximately \$120 million of indebtedness outstanding.

Subordinated Debt Securities.

Indebtedness evidenced by the subordinated debt securities will be subordinated in right of payment, as set forth in the subordinated indenture, to the prior payment in full of all our existing and future senior indebtedness. Senior indebtedness is defined in the subordinated indenture as the principal of and interest on (including any interest that accrues after or would have accrued but for the filing of a petition initiating any proceeding pursuant to any bankruptcy law, regardless of whether such interest is allowed or permitted to the holder of such debt against our bankruptcy or any other insolvency estate in such proceeding) and other amounts due on or in connection with any debt incurred, assumed or guaranteed by us, whether outstanding on the date of the subordinated indenture or thereafter incurred, assumed or guaranteed, and all renewals, extensions and refunds of any such debt. Amounts outstanding under any senior debt securities will be included in senior indebtedness. Excluded from the definition of senior indebtedness are the following: (a) any debt which expressly provides (i) that such debt shall not be senior in right of payment to the subordinated debt securities, or (ii) that such debt shall be subordinated to any of our other debt, unless such debt

expressly provides that such debt shall be senior in right of payment to the subordinated debt securities; and (b) any of our debt in respect of the subordinated debt securities. As of December 31, 2009, we had approximately \$2.2 billion aggregate principal amount of indebtedness for borrowed money which would rank senior to the subordinated debt securities and no borrowings which would rank junior or equal with the subordinated debt securities.

By reason of such subordination, in the event of dissolution, insolvency, bankruptcy or other similar proceedings, upon any distribution of assets, (i) the holders of subordinated debt securities will be required to pay over their share of such distribution to the holders of senior indebtedness until such senior indebtedness is paid in full; and (ii) our creditors who are not holders of subordinated debt securities or holders of senior indebtedness may recover less, ratably, than holders of senior indebtedness and may recover more, ratably, than the holders of subordinated debt securities.

In the event that the subordinated debt securities are declared due and payable prior to their stated maturity by reason of the occurrence of an event of default, we are obligated to notify holders of senior indebtedness promptly of such acceleration. We may not pay the subordinated debt securities until 179 days have passed after such acceleration occurs and may thereafter pay the subordinated debt securities if the terms of the subordinated indenture otherwise permit payment at that time.

No payment of the principal, issue price plus accrued original issue discount (if any), redemption price, interest, if any, or any other amount payable with respect to any subordinated debt security may be made, nor may we acquire any subordinated debt securities except as described in the subordinated indenture, if any default with respect to senior indebtedness occurs and is continuing that permits the acceleration of the maturity of the senior indebtedness and either such default is the subject of judicial proceedings or we receive notice of the default, unless

179 days pass after notice of the default is given and such default is not then the subject of judicial proceedings or the default with respect to the senior indebtedness is cured or waived; and

the terms of the subordinated indenture otherwise permit the payment or acquisition of the subordinated debt securities at that time.

Denominations, Registration and Transfer

The offered debt securities will be issuable as registered securities, bearer securities or both. Offered debt securities may be issuable in the form of one or more global securities, as described below under **Global Securities**. Unless otherwise provided in the applicable prospectus supplement, registered securities denominated in U.S. dollars will be issued only in denominations of \$1,000 or any integral multiple thereof and bearer securities denominated in U.S. dollars will be issued only in denominations of \$5,000 with coupons attached. A global security will be issued in a denomination equal to the aggregate principal amount of outstanding offered debt securities represented by such global security. The prospectus supplement relating to offered debt securities denominated in a foreign or composite currency will specify the denominations for these offered debt securities.

In connection with its original issuance, no bearer security shall be mailed or otherwise delivered to any location in the United States (as defined below under **Limitations on Issuance of Bearer Securities**) and a bearer security may be delivered in connection with its original issuance only if the person entitled to receive such bearer security furnishes written certification, in the form required by the applicable indenture, to the effect that such bearer security is not being acquired by or on behalf of a United States person (as defined below under **Limitations on Issuance of Bearer Securities**), or, if a beneficial interest in such bearer security is being acquired by or on behalf of a United States person, that such United States person is a financial institution (as defined in Treasury Regulation Section 1.165-12(c)(1)(v)) that is purchasing for its own account or for the account of a customer and which agrees to comply with the requirements of Section 1 65(j)(3)(A), (B) or (C) of the United States Internal Revenue Code of 1986, as amended, and the regulations thereunder.

Registered securities of any series will be exchangeable for other registered securities of the same series and of a like aggregate principal amount and tenor of different authorized denominations. In addition, if offered debt securities of any series are issuable as both registered securities and as bearer securities, at the option of the holder upon request confirmed in writing, and subject to the terms of the applicable indenture, bearer securities (with all unmatured coupons, except as provided below, and all matured coupons in default attached) of such series will be exchangeable

for registered securities of the same series of any authorized denominations and of a like aggregate principal amount and tenor. Unless otherwise indicated in an applicable prospectus supplement, any bearer security surrendered in exchange for a registered security between a record date and the relevant date for payment of interest shall be surrendered without the coupon relating to such date for payment of interest attached and interest will not be payable in respect of the registered security issued in exchange for such bearer security, but will be payable only to the holder of such coupon when due in accordance with the terms of the applicable indenture. Except as provided in an applicable prospectus supplement, bearer securities will not be issued in exchange for registered securities.

Offered debt securities may be presented for exchange as provided above, and registered securities (other than a global security) may be presented for registration of transfer (with the form of transfer duly executed), at the office of the security registrar we designate or at the office of any transfer agent we designate for such purpose with respect to any series of offered debt securities and referred to in an applicable prospectus supplement, without service charge and upon payment of any taxes and other governmental charges as described in the applicable indenture. Such transfer or exchange will be made when the security registrar or such transfer agent, as the case may be, is satisfied with the documents of title and identity of the person making the request. We have initially appointed the trustee as the security registrar under the indentures. If a prospectus supplement refers to any transfer agent, in addition to the security registrar, we initially designate with respect to any series of offered debt securities, we may at any time rescind the designation of any such transfer agent or approve a change in the location through which any such transfer agent acts. Exceptions to the prior sentence will occur if offered debt securities of a series are issuable only as registered securities. We will be required to maintain a transfer agent in each place of payment for such series. Similarly, if offered debt securities of a series are issuable as bearer securities, then we will be required to maintain, in addition to the security registrar, a transfer agent in a place of payment for such series located outside the United States. We may at any time designate additional transfer agents with respect to any series of offered debt securities.

In the event of any redemption, neither we nor the trustee shall be required to (i) issue, register the transfer of or exchange offered debt securities of any series during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of offered debt securities of that series selected to be redeemed and ending at the close of business (a) if offered debt securities of the series are issuable only as registered securities, the day of mailing of the relevant notice of redemption, and (b) if offered debt securities of the series are issuable as bearer securities, the day of the first publication of the relevant notice of redemption or, if offered debt securities of that series are also issuable as registered securities and there is no publication, the mailing of the relevant notice of redemption; (ii) register the transfer of or exchange any registered security or portion thereof, called for redemption, except the unredeemed portion of any registered security being redeemed in part; or (iii) exchange any bearer security called for redemption, except to exchange such bearer security for a registered security of that series and like tenor which is immediately surrendered for redemption.

Payments and Paying Agents

Unless otherwise indicated in an applicable prospectus supplement, payment of principal of and any interest on registered securities (other than a global security) will be made at the office of such paying agent or paying agents as we may designate from time to time, except that, at our option, payment of any interest may be made by check mailed to the address of the payee entitled thereto as such address shall appear in the security register. Unless otherwise indicated in an applicable prospectus supplement, payment of any installment of interest on registered securities will be made to the person in whose name such registered security is registered at the close of business on the regular record date for such interest payment.

Unless otherwise indicated in an applicable prospectus supplement, payment of principal of and any premium and interest on bearer securities will be payable (subject to applicable laws and regulations) at the offices of such paying agent or paying agents as we may designate from time to time, except that, at our option, payment of any interest may be made by check mailed to the address of the payee entitled thereto as such address shall appear in the security register. Unless otherwise indicated in an applicable prospectus supplement, payment of any installment of interest on registered securities will be made to the person in whose name such registered security is registered at the close of business on the regular record date for such interest payment.

Unless otherwise indicated in an applicable prospectus supplement, payment of principal of and any premium and interest on bearer securities will be payable (subject to applicable laws and regulations) at the offices of such paying agent or paying agents outside the United States as we may designate from time to time, except that, at our option, payment of any interest may be made by check or by wire transfer to an account maintained by the payee outside the United States. Unless otherwise indicated in an applicable prospectus supplement, payment of interest on bearer securities on any interest payment date will be made only against surrender of the coupon relating to such interest payment date. No payment with respect to any bearer security will be made at any of our offices or agencies in the United States or by check mailed to any address in the United States or by wire transfer to an account maintained in the United States. Payments will not be made in respect of bearer securities or coupons relating to those bearer securities pursuant to presentation to us or our paying agents within the United States. Notwithstanding the foregoing, payment of principal of and any interest on bearer securities denominated and payable in U.S. dollars will be made at the office of our paying agent in the United States if, and only if, payment of the full amount thereof in U.S. dollars at all offices or agencies outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions and we have delivered to the trustee an opinion of counsel to that effect.

Unless otherwise indicated in an applicable prospectus supplement, the principal office of the trustee in the City of New York will be designated as our sole paying agent for payments with respect to offered debt securities which are issuable solely as registered securities. Any paying agent outside the United States and any other paying agent in the United States that we initially designate for the offered debt securities will be named in the applicable prospectus supplement. We may at any time designate additional paying agents or rescind the designation of any paying agent or approve a change in the office through which any paying agent acts, except that, if offered debt securities of a series are issuable only as registered securities, we will be required to maintain a paying agent in each place of payment of such series and, if offered debt securities of a series are issuable as bearer securities, we will be required to maintain (i) a paying agent in each place of payment for such series in the United States for payments with respect to any

registered securities of such series (and for payments with respect to bearer securities of such series in the circumstances described above, but not otherwise), (ii) a paying agent in each place of payment located outside the United States where offered debt securities of such series and any coupons belonging thereto may be presented and surrendered for payment; provided that if the offered debt securities of such series are listed on The International Stock Exchange, the London Stock Exchange or the Luxembourg Stock Exchange or any other stock exchange located outside the United States and such stock exchange shall so require, we will maintain a paying agent in London or Luxembourg or any other required city located outside the United States, as the case may be, for offered debt securities of such series, and (iii) a paying agent in each place of payment located outside the United States where (subject to applicable laws and regulations) registered securities of such series may be surrendered for registration of transfer or exchange and where notices and demands to or upon us may be served.

All monies we pay to a paying agent for the payment of principal of and any interest on any offered debt securities that remains unclaimed for at least two years after such principal, premium, if any, or interest has become due and the payable will be repaid, at our request, to us. After this repayment, the holder of such offered debt security or any coupon relating thereto will look only to us for payment thereof.

Global Securities

The offered debt securities of a series may be issued in whole or in part in the form of one or more global securities that will be deposited with, or on behalf of, a depositary identified in the prospectus supplement relating to such series. Global securities may be issued only in fully registered form and may be issued in either temporary or permanent form. Unless and until it is exchanged in whole or in part for the individual offered debt securities represented thereby, a global security may not be transferred except as a whole by the depositary for such global security to a nominee of such depositary or by a nominee of such depositary to such depositary or another nominee of such depositary or by the depositary or any nominee of such depositary to a successor depositary or any nominee of such successor.

The specific terms of the depositary arrangement with respect to a series of offered debt securities will be described in the prospectus supplement relating to such series. We anticipate that the following provisions will generally apply to depositary arrangements.

Upon the issuance of a global security, the depositary for such global security or its nominee will credit on its book-entry registration and transfer system the respective principal amounts of the individual offered debt securities represented by such global security to the accounts of persons that have accounts with such depositary, who are referred to as participants. Such accounts shall be designated by the underwriters, dealers or agents with respect to such offered debt securities or by us if such offered debt securities are offered and sold directly by us. Ownership of beneficial interests in a global security will be limited to participants or persons that may hold interests through participants. Ownership of beneficial interests in such global security will be shown on, and the transfer of that ownership will be effected only through, records maintained by the applicable depositary or its nominee (with respect to interests of participants) and records of participants (with respect to interests of persons who hold through participants). The laws of some states require that certain purchasers of securities take physical delivery of such securities in definitive form. Such limits and such laws may impair the ability to own, pledge or transfer beneficial interest in a global security.

So long as the depositary for a global security or its nominee is the registered owner of such global security, such depositary or such nominee, as the case may be, will be considered the sole owner or holder of the offered debt securities represented by such global security for all purposes under the applicable indenture. Except as provided below, owners of beneficial interests in a global security will not be entitled to have any of the individual offered debt securities of the series represented by such global security registered in their names, will not receive or be entitled to receive physical delivery of any such offered debt securities of such series in definitive form and will not be considered the owners or holders thereof under the applicable indenture.

Payments of principal of and any premium and any interest on individual offered debt securities represented by a global security registered in the name of a depositary or its nominee will be made to the depositary or its nominee, as the case may be, as the registered owner of the global security representing such offered debt securities. None of us, the trustee, any paying agent or the security registrar for such offered debt securities will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the global security for such offered debt securities or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

We expect that the depositary for a series of offered debt securities or its nominee, upon receipt of any payment of principal, premium or interest in respect of a permanent global security representing any of such offered debt securities, immediately will credit participants' accounts with payments in amounts proportionate to their respective beneficial interest in the principal amount of such global security for such offered debt securities as shown on the records of such depositary or its nominee. We also expect that payments by participants to owners of beneficial interests in such global security held through such participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts in bearer form or registered in