

GAMCO INVESTORS, INC. ET AL  
Form 424B2  
May 27, 2011  
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Filed Pursuant to Rule 424(b)(2)  
Registration No. 333-160802

**PROSPECTUS SUPPLEMENT**

(To Prospectus Dated July 27, 2009)

**\$100,000,000**

**GAMCO Investors, Inc.**

**5.875% Senior Notes due 2021**

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The notes will bear interest at the rate of 5.875% per year. Interest on the notes is payable on June 1 and December 1 of each year, commencing on December 1, 2011. The notes will mature on June 1, 2021. We may redeem some or all of the notes at any time before maturity at the make-whole price discussed under Description of the Notes Optional Redemption. We may also redeem some or all of the notes at a redemption price equal to 101% of principal amount of notes redeemed, plus any accrued and unpaid interest on the notes redeemed to the redemption date, upon the occurrence of a Going Private/Rule 13e-3 Transaction and a Below Investment Grade Rating Event. See Description of the Notes Optional Going Private Redemption. As described under Description of the Notes Offer to Repurchase Upon a Change of Control Repurchase Event, if we experience a Change of Control and a Below Investment Grade Rating Event, we will be required to make an offer to purchase the notes from holders at a price equal to 101% of principal amount of the notes repurchased, plus any accrued and unpaid interest on the notes repurchased to the date of repurchase, unless we have previously exercised our right to redeem the notes.

The notes will be our senior unsecured obligations and will rank equally with all of our other unsubordinated indebtedness from time to time outstanding. 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. The notes will not be obligations of or guaranteed by any of our subsidiaries. As a result, the notes will be structurally subordinated to all indebtedness and other liabilities of our subsidiaries.

**Investing in the notes involves risks. See Risk Factors beginning on page S-10.**

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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.

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	<u>Per Note</u>	<u>Total</u>
Public Offering Price	100.00%	\$ 100,000,000
Underwriting Discount	0.65%	\$ 650,000
Proceeds, before expenses, to GAMCO Investors, Inc.	99.35%	\$ 99,350,000

Interest on the notes will accrue from May 31, 2011 to the date of delivery.

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Securities entitlements with respect to the notes will be credited on or about May 31, 2011, in book-entry form through the facilities of The Depository Trust Company to the accounts of its participants, including Clearstream Banking, societe anonyme, and Euroclear Bank S.A./N.V., as operator of the Euroclear System, on behalf of the purchasers.

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*Sole Book-Running Manager*

**Citi**

May 25, 2011

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

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**ABOUT THIS PROSPECTUS SUPPLEMENT**

This prospectus supplement contains the terms of this offering of notes. This prospectus supplement may add, update or change information contained or incorporated by reference in the accompanying prospectus. In addition, the information incorporated by reference in the accompanying prospectus may have added, updated or changed information in the accompanying prospectus. If information in this prospectus supplement is inconsistent with any information in the accompanying prospectus (or any information incorporated therein by reference), this prospectus supplement will apply and will supersede such information in the accompanying prospectus.

It is important for you to read and consider all information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference in making your investment decision. You should also read and consider the additional information in the accompanying prospectus under the caption *Where You Can Find More Information*.

Unless otherwise stated or the context indicates otherwise, references in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference to *GAMCO*, *we*, *our* or *us* refer to *GAMCO Investors, Inc.* and its direct and indirect subsidiaries, while references to *GAMCO Investors, Inc.* refer only to the holding company on an unconsolidated basis.

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**SUMMARY**

*This summary contains basic information about us and this offering. Because it is a summary, it does not contain all of the information that you should consider before investing in the notes. You should read this entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference carefully, including the section entitled Risk Factors in our Annual Report on Form 10-K, and our financial statements and the notes thereto incorporated by reference into this prospectus supplement and the accompanying prospectus, before making an investment decision.*

**GAMCO Investors, Inc.**

GAMCO Investors, Inc., well known for its value investing hallmark Private Market Value (PMV) with a Catalyst™ investment approach, is a widely-recognized provider of investment advisory services to mutual funds, institutional and private wealth management investors, and investment partnerships, principally in the United States. Through Gabelli & Company, Inc., our broker-dealer subsidiary, we provide institutional research services to institutional clients and investment partnerships. We generally manage assets on a discretionary basis and invest in a variety of U.S. and international securities through various investment styles. Our revenues are based primarily on the firm's levels of assets under management ( AUM ) and, to a lesser extent, incentive fees associated with our various investment products.

Since 1977, we have been identified with and enhanced the value style approach to investing. Over the 33 years since the inception of the firm, consistent with our fundamental objective of providing an absolute rate of return for our clients, we have generated over \$16.2 billion in investment returns for our institutional and private wealth management clients. Our investment objective is to earn a superior risk-adjusted return for our valued clients over the long-term through our proprietary fundamental research. In addition to our value portfolios, we offer our clients a broad array of investment strategies that include global, growth, international and convertible products. We also offer a series of investment partnership (performance fee-based) vehicles that provide a series of long-short investment opportunities, both market and sector specific opportunities, including offerings of non-market correlated investments in merger arbitrage, as well as a fixed income strategy.

As of March 31, 2011, we had \$35.4 billion of assets under management. We conduct our investment advisory business principally through our subsidiaries: GAMCO Asset Management Inc. (Institutional and Private Wealth Management), Gabelli Funds, LLC (Mutual Funds) and Gabelli Securities, Inc. (Investment Partnerships). We also act as an underwriter, are a distributor of our open-end funds and provide institutional research services through Gabelli & Company, Inc.

Our assets under management are organized into three groups:

*Institutional and Private Wealth Management:* We provide advisory services to a broad range of investors, including private wealth management, corporate pension and profit-sharing plans, foundations, endowments, jointly-trusted plans and municipalities, and also serve as sub-advisor to certain other third-party investment funds including registered investment companies ( Institutional and Private Wealth Management ). Each Institutional and Private Wealth Management portfolio is managed to meet the needs and objectives of the particular client by utilizing investment strategies and techniques within our areas of expertise. On March 31, 2011, we had \$14.7 billion of Institutional and Private Wealth Management assets under management.

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*Open and Closed-End Funds:* We provide advisory services to twenty-one open-end funds and nine closed-end funds under the Gabelli, GAMCO and Comstock brands (collectively, the Funds ). The Funds had \$20.1 billion of assets under management on March 31, 2011.

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*Investment Partnerships:* We provide advisory services to limited partnerships and offshore funds ( Investment Partnerships ). We managed a total of \$547 million in Investment Partnership assets on March 31, 2011.

GAMCO Investors, Inc. is a holding company formed in connection with our initial public offering in February 1999. GGCP Holdings, LLC, a subsidiary of GGCP, Inc., owns a majority of the outstanding shares of Class B Common Stock of GAMCO Investors, Inc. Such ownership represented approximately 94% of the combined voting power of the outstanding common stock and approximately 73% of the equity interest on March 31, 2011. GGCP, Inc. is majority-owned by Mr. Mario J. Gabelli, the Chairman and Chief Executive Officer of GAMCO Investors, Inc. Mr. Gabelli is deemed to control GAMCO Investors, Inc.

Our principal executive offices are located at One Corporate Center, Rye, New York 10580. Our telephone number is (914) 921-3700.

## **Our Strengths**

***Strong Industry Fundamentals.*** According to data compiled by the U.S. Federal Reserve, the investment management industry has grown faster than more traditional segments of the financial services industry, including the banking and insurance industries. Since we began managing assets for institutional and private wealth management clients in 1977, world equity markets have grown at a 11.3% compounded annual growth rate through December 31, 2010 to nearly \$52 trillion<sup>(a)</sup>. The U.S. equity market comprises approximately \$15.4 trillion<sup>(a)</sup> or roughly 30% of world markets. We believe that demographic trends and the growing role of money managers in the placement of capital compared to the traditional role played by banks and life insurance companies will result in continued growth of the investment management industry.

(a) Source: Birinyi Associates, LLC

***Long-Term Performance.*** We have a superior long-term record of achieving relatively high returns for our Institutional and Private Wealth Management clients. We believe that our performance record represents a competitive advantage and a recognized component of our franchise.

***Stock Market Gains.*** Since we began managing for institutional and private wealth management clients in 1977, our traditional value-oriented Institutional and Private Wealth Management composite has earned a compound annual return of 16.3% net of fees versus a compound annual return of 11.1% for the S&P 500 through December 31, 2010.

***Widely-Recognized Gabelli and GAMCO Brand Names.*** For much of our history, our portfolio managers and investment products have been featured in a variety of financial print media, including both U.S. and international publications such as The Wall Street Journal, Financial Times, Money Magazine, Barron's, Fortune, Business Week, Nikkei Financial News, Forbes Magazine, Consumer Reports and Investor's Business Daily. We also underwrite publications written by our investment professionals, including Deals, Deals and More Deals, which examines the history of merger arbitrage, and Global Convertible Investing: The Gabelli Way, a comprehensive guide to effective investing in convertible securities.

***Diversified Product Offerings.*** Since the inception of our investment management activities, we have sought to expand the breadth of our product offerings. We currently offer a wide spectrum of investment products and strategies, including product offerings in U.S. equities, U.S. fixed income, global and international equities, convertible securities, U.S. balanced and investment partnerships.





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### **Our Strategies**

Our business strategy targets global growth of the franchise through continued leveraging of our proven asset management strengths, including our brand name, long-term performance record, diverse product offerings and experienced investment, research and client service professionals. In order to achieve growth in AUM and profitability, we are pursuing a strategy which includes the following key elements:

***Gabelli Private Market Value (PMV) with a Catalyst™ Investment Approach.*** While we have expanded our investment product offerings, our value investing approach remains the core of our business. This method is based on the value investing principles articulated by Graham & Dodd in 1934 and further augmented by Mario J. Gabelli, CFA, with his development of Private Market Value (PMV) with a Catalyst™ as the value investment methodology. The development of PMV analysis combined with the concept of a catalyst has evolved from the original Graham & Dodd value investing approach to a Gabelli augmented Graham & Dodd.

Private Market Value (PMV) with a Catalyst™ investing is a disciplined, research-driven approach based on intensive security analysis. In this process, we generally select stocks whose intrinsic value, based on our estimate of current asset value and future growth and earnings power, is significantly different from the value as reflected in the public market. We then calculate the firm's PMV, which is defined as the price an informed industrial buyer would be likely to pay to acquire the business.

Our value team generally looks for situations in which catalyst(s) is (are) working to help to narrow the spread between the public market price and the estimated PMV. Catalysts which are company specific include: realization of hidden assets, recognition of underperforming subsidiaries, share buybacks, spin-offs, mergers and acquisitions, balance sheet changes, new products, accounting changes, new management and cross-shareholder unwinding. Other catalysts are related to industry dynamics or macroeconomics and include but are not limited to: industry consolidation, deregulation, accounting, tax, pension and political reforms, technological change and the macroeconomic backdrop. The time horizons for catalysts to trigger change can either be short-term, medium-term or long-term.

***Establishing Research Centers.*** To enhance our research in our core research competency, we have two Asian research offices in Shanghai and Hong Kong supplementing our existing offices in London, New York, Chicago, Greenwich, Connecticut, Minneapolis and St. Louis, Missouri. We will continue to evaluate adding additional research offices throughout the world. In addition to research, these centers, along with Reno, Nevada and Palm Beach, Florida, serve as relationships centers.

***Introducing New Products and Services.*** We believe we have the capacity for development of new products and services around the Gabelli and GAMCO brands to complement our existing product offerings. New products since our initial public offering include:

*Seven closed-end funds:* The Gabelli Dividend & Income Trust, The GDL Fund, The Gabelli Global Utility and Income Trust, The Gabelli Global Gold, Natural Resources & Income Trust, The Gabelli Utility Trust, The Gabelli Healthcare and Wellness<sup>RX</sup> Trust, and The Gabelli Natural Resources, Gold & Income Trust. In January 2011, we added the seventh closed end fund since going public and our tenth closed end fund overall, with the offering of The Gabelli Natural Resources, Gold & Income Trust (GNT).

*Four open-end funds:* Gabelli Blue Chip Value Fund, Gabelli Utilities Fund, Gabelli Woodland Small Cap Value Fund, Gabelli SRI Fund, rebranded as Gabelli Green SRI Fund, Inc.

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*Four offshore funds:* Gabelli Capital Structure Arbitrage Fund Ltd., Gabelli Associates Limited II E, GAMCO Strategic Value Fund, a Luxembourg SICAV, and Gabelli Green Long/Short Fund, Ltd.

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*Seven private limited partnerships:* Gabelli Capital Structure Arbitrage Fund L.P., Gabelli Intermediate Credit, L.P., Gabelli Japanese Value Partners, L.P., Gabelli Associates Fund II, L.P., GAMA Select Energy Plus, L.P., GAMCO Medical Opportunities, L.P. and Gabelli Green Long/Short Fund, L.P.

***Incentive Fees and Fulcrum Fees.*** We strive to receive an increasing portion of our revenues and earnings through various products with incentive and fulcrum fees. Since we envision that a growing percentage of the firm's revenues will be directly linked to performance-based fees, this may increase the variability of our revenues and profits, largely booked in the fourth quarter. As of March 31, 2011, approximately \$1.9 billion of Institutional and Private Wealth Management assets are managed on a performance fee basis along with \$875 million of preferred issues of closed-end funds, the \$418 million The GDL Fund and \$547 million of investment partnership assets. Unlike most money management firms, we elected not to receive a management fee on a majority of the preferred offerings in our closed-end funds until the fund's overall performance exceeds each preferred's nominal cost of capital. In addition, the incubation of new product strategies using proprietary capital will compensate the investment team with a performance fee model to reinforce our pay-for-performance approach.

***Expanding Mutual Fund Distribution.*** We continue to expand our distribution network primarily through national and regional brokerage firms and have developed additional classes of shares for most of our mutual funds for sale through these firms and other third-party distribution channels on a commission basis. We have increased our wholesaling efforts to market the multi-class shares, which have been designed to meet the needs of investors who seek advice through financial consultants.

***Increasing Presence in Private Wealth Management Market.*** Our private wealth management business focuses, in general, on serving clients who have established an account relationship of \$1 million or more with us. According to industry estimates, the number of households with over \$1 million in investable assets will continue to grow in the future, subject to ups and downs in the equity and fixed income markets. With our 33-year history of serving this segment, long-term performance record, customized portfolio approach, dominant, tax-sensitive, investment strategy, brand name recognition and broad array of product offerings, we believe that we are well-positioned to capitalize on the growth opportunities in this market.

***Increasing Marketing for Institutional and Private Wealth Management.*** The Institutional and Private Wealth Management business was principally developed through direct marketing channels. Historically, pension and financial consultants have not been a major source of new institutional and private wealth management business for us. We plan to augment our institutional sales force through the addition of staff to market directly to the consultant community as well as our traditional marketing channels.

***Attracting and Retaining Experienced Professionals.*** We offer significant variable compensation that provides opportunities to our staff. We have increased the scope of our investment management capabilities by adding portfolio managers and other investment personnel in order to expand our broad array of products. The ability to attract and retain highly-experienced investment and other professionals with a long-term commitment to us and our clients has been, and will continue to be, a significant factor in our long-term growth. At March 31, 2011, we had 293,800 restricted stock awards (RSAs) outstanding to our professional staff recommended by and excluding Mr. Gabelli, who has not received options or RSAs, which originally had three- and five-year vesting, which will align our professional team with our commitment to our long-term goals.

***Sponsorship of Industry Conferences.*** Gabelli & Company, our institutional research services firm, sponsors industry conferences and management events throughout the year. At these conferences and events, senior management from leading industry companies share their thoughts on the industry, competition, regulatory issues and the challenges and opportunities in their businesses with portfolio managers and securities analysts.



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***Hosting of Institutional Investor Symposiums.*** We have a tradition of sponsoring institutional investor symposiums that bring together prominent portfolio managers, members of academia and other leading business professionals to present, discuss and debate current issues and topics in the investment industry.

1997 Active vs. Passive Stock Selection

1998 The Role of Hedge Funds as a Way of Generating Absolute Returns

2001 Virtues of Value Investing

2003 Dividends, Taxable versus Non-Taxable Issues

2006 Closed-End Funds: Premiums vs. Discounts, Dividends and Distributions

We also hold annual conferences for our investment partnership clients and prospects in New York and London at which our portfolio management team discusses the investment environment, our strategies and portfolios, and event-driven investment opportunities.

***Capitalizing on Acquisitions, Alliances and Lift-outs.*** We intend to selectively and opportunistically pursue acquisitions, alliances and lift-outs that will broaden our product offerings and add new sources of distribution. On October 1, 1999, we completed our alliance with Mathers and Company, Inc. and now act as investment advisor to the Mathers Fund (renamed GAMCO Mathers Fund), and in May 2000, we added Comstock Partners Funds, Inc. (renamed Comstock Funds, Inc.). The Mathers and Comstock funds are part of our Non-Market Correlated mutual fund product line. In November 2002, we completed our alliance with Woodland Partners LLC, a Minneapolis based investment advisor focused on investing in small capitalization companies. On March 11, 2008, Gabelli Funds, LLC assumed the role of investment advisor to the AXA Enterprise Mergers and Acquisitions Fund, subsequently renamed Gabelli Enterprise Mergers and Acquisitions Fund, a fund that has been sub-advised by GAMCO since the fund's inception on February 28, 2001. On August 1, 2010, certain clients of Florida-based NMF Asset Management, headed by Nola Maddox Falcone, became part of the institutional and private wealth operation of GAMCO Asset Management Inc. We believe that we have the financial capacity to pursue acquisitions and lift-outs.

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**The Offering**

*For purposes of this Offering section of the prospectus supplement summary, we, us and our refer to GAMCO Investors, Inc., and not its consolidated subsidiaries.*

Issuer	GAMCO Investors, Inc.
Securities Offered	\$100,000,000 aggregate principal amount of 5.875% notes due 2021.
Interest	The notes will bear interest at the rate of 5.875% per annum, payable semi-annually in arrears on June 1 and December 1, commencing on December 1, 2011. See Description of the Notes.
Ranking	<p>The notes will be our senior unsecured obligations and will rank equally with all of our other unsubordinated indebtedness from time to time outstanding. 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. As of March 31, 2011, we had \$99.0 million aggregate principal amount of unsecured indebtedness under our 5.5% Senior Notes due 2013 that would rank equally in right of payment with the notes and \$86.4 million principal amount of zero coupon subordinated debentures due 2015.</p> <p>The notes will not be obligations of or guaranteed by any of our subsidiaries. As a result, the notes will be structurally subordinated to all indebtedness and other liabilities of our subsidiaries, which means that creditors of our subsidiaries will be paid from the assets of such subsidiaries before holders of the notes would have any claims to those assets. As of March 31, 2011, our subsidiaries had \$50.6 million of indebtedness and other liabilities (excluding intercompany liabilities). See Description of the Notes Ranking.</p>
Use of Proceeds	We expect to receive net proceeds from this offering of approximately \$99,065,000, after expenses and underwriting discounts and commissions. We intend to use the net proceeds from this offering for working capital and general corporate purposes, which may include acquisitions. See Use of Proceeds.
Optional Redemption	<p>We may redeem some or all of the notes at any time and from time to time at a redemption price equal to the greater of:</p> <p>100% of the principal amount of the notes to be redeemed; and</p> <p>the sum of the present values of the remaining scheduled payments of principal and interest on the notes to be redeemed, discounted to the redemption date on a semiannual basis at the Treasury Rate plus 45 basis points, plus, in each case, accrued and unpaid interest thereon to the date of redemption. See Description of the Notes Optional Redemption.</p>





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Optional Going Private Redemption	We may redeem some or all of the notes at a redemption price equal to 101% of principal amount of notes redeemed, plus any accrued and unpaid interest on the notes redeemed to the redemption date, upon the occurrence of a Going Private/Rule 13e-3 Transaction and a Below Investment Grade Rating Event. See Description of the Notes Optional Going Private Redemption.
Change of Control	If a Change of Control Repurchase Event occurs, we will be required to make an offer to purchase the notes from holders at a price equal to 101% of principal amount of the notes repurchased, plus any accrued and unpaid interest on the notes repurchased to the date of repurchase, unless we have previously exercised our right to redeem the notes. See Description of the Notes Offer to Repurchase Upon a Change of Control Repurchase Event.
Certain Covenants	<p>The notes will be issued under an indenture containing covenants that, among other things, restrict our ability to:</p> <p style="padding-left: 40px;">create or incur any indebtedness that is secured by a lien on the capital stock of certain of our subsidiaries; and</p> <p style="padding-left: 40px;">merge, consolidate or sell all or substantially all of our properties and assets.</p> <p>These covenants are subject to a number of important exceptions and qualifications as described under Description of the Notes Limitation on Liens and Description of the Notes Consolidation, Merger, Sale of Assets and Other Transactions.</p>
Trustee	The Bank of New York Mellon
Governing Law	State of New York

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The following summary consolidated financial data as at and for the fiscal years ended December 31, 2010 and 2009 and for the fiscal year ended December 31, 2008 is derived from our audited consolidated financial statements, which are incorporated by reference into this prospectus supplement. The following summary consolidated financial data as at December 31, 2008 and as at and for the fiscal years ended December 31, 2007 and 2006 is derived from our audited consolidated financial statements, which are not incorporated by reference into this prospectus supplement. The following summary consolidated financial data as at and for the three months ended March 31, 2011 and 2010 is derived from our unaudited interim consolidated financial statements, which are incorporated by reference into this prospectus supplement. Such interim consolidated financial data reflects all adjustments, consisting only of normal and recurring adjustments, that we consider necessary for the fair presentation of the results for those periods. The interim consolidated financial data is not necessarily indicative of the results that may be obtained for a full year. In addition, historical results do not necessarily indicate results expected for any future period. This information is only a summary and should be read together with our consolidated financial statements and the related notes, as well as the related management's discussion and analysis. See *Documents Incorporated by Reference* in this prospectus supplement and *Where You Can Find More Information* in the accompanying prospectus.

	Year Ended December 31,					Three Months Ended March 31,		
	2006	2007	2008	2009	2010	2010	2011	
	(in thousands, except per share amounts)						(unaudited)	
<b>Income Statement Data</b>								
Revenues:								
Investment advisory and incentive fees	\$ 227,005	\$ 250,410	\$ 204,293	\$ 178,713	\$ 231,269	\$ 49,342	\$ 62,911	
Institutional research services	12,619	15,729	16,129	16,715	16,600	3,424	3,649	
Distribution fees and other income	21,839	26,230	24,590	22,686	32,511	7,232	10,345	
<b>Total revenues</b>	<b>261,463</b>	<b>292,369</b>	<b>245,012</b>	<b>218,114</b>	<b>280,380</b>	<b>59,998</b>	<b>76,905</b>	
Expenses:								
Compensation costs	102,411	120,036	102,840	92,859	123,840	26,213	33,417	
Management fee	13,236	14,463	4,086	9,758	12,013	2,448	3,113	
Distribution costs	25,366	28,500	25,090	24,339	31,048	7,031	13,429	
Other operating expenses	44,103	26,203	27,979	18,948	22,450	4,936	6,186	
<b>Total expenses</b>	<b>185,116</b>	<b>189,202</b>	<b>159,995</b>	<b>145,904</b>	<b>189,351</b>	<b>40,628</b>	<b>56,145</b>	
<b>Operating income</b>	<b>76,347</b>	<b>103,167</b>	<b>85,017</b>	<b>72,210</b>	<b>91,029</b>	<b>19,370</b>	<b>20,760</b>	
Other income (expense), net:								
Net gain/(loss) from investments	35,613	6,147	(52,299)	25,558	24,391	5,232	8,740	
Interest and dividend income	35,506	32,497	13,136	3,425	5,905	815	1,936	
Interest expense	(14,477)	(12,040)	(9,441)	(13,290)	(11,984)	(3,292)	(2,867)	
<b>Total other income (expense), net</b>	<b>56,642</b>	<b>26,604</b>	<b>(48,604)</b>	<b>15,693</b>	<b>18,312</b>	<b>2,755</b>	<b>7,809</b>	
<b>Income before income taxes</b>	<b>132,989</b>	<b>129,771</b>	<b>36,413</b>	<b>87,903</b>	<b>109,341</b>	<b>22,125</b>	<b>28,569</b>	
Income tax provision	50,848	49,548	12,323	31,761	39,326	8,294	10,288	
<b>Net income</b>	<b>82,141</b>	<b>80,223</b>	<b>24,090</b>	<b>56,142</b>	<b>70,015</b>	<b>13,831</b>	<b>18,281</b>	
Net income (loss) attributable to noncontrolling interests	10,214	654	(776)	609	1,223	105	638	
<b>Net income attributable to GAMCO Investors, Inc.'s shareholders</b>	<b>\$ 71,927</b>	<b>\$ 79,569</b>	<b>\$ 24,866</b>	<b>\$ 55,533</b>	<b>\$ 68,792</b>	<b>\$ 13,726</b>	<b>\$ 17,643</b>	

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<b>Net income attributable to GAMCO Investors, Inc. s</b>							
<b>shareholders per share:</b>							
Basic	\$ 2.52	\$ 2.83	\$ 0.89	\$ 2.03	\$ 2.55	\$ 0.50	\$ 0.66
Diluted	\$ 2.49	\$ 2.79	\$ 0.89	\$ 2.02	\$ 2.52	\$ 0.50	\$ 0.65

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	Year Ended December 31,					Three Months Ended March 31,	
	2006	2007	2008	2009	2010	2010	2011
	(unaudited)						
(in thousands, except per share amounts)							
<b>Weighted average shares outstanding:</b>							
Basic	28,542	28,142	27,805	27,345	26,959	27,184	26,901
Diluted	29,525	29,129	27,841	28,214	28,348	28,148	27,008
Actual shares outstanding at period end(a)	28,241	28,446	27,746	27,605	27,053	27,424	27,062
Dividends declared per share	\$ 0.12	\$ 1.12	\$ 2.02	\$ 2.13	\$ 5.02	\$ 0.03	\$ 0.03

(a) Includes unvested RSAs of 382,400, 369,900, 360,100 and 123,100 at December 31, 2007, 2008, 2009 and 2010, respectively, and unvested RSAs of 359,100 and 293,800 at March 31, 2010 and 2011, respectively.

	December 31,					March 31,	
	2006	2007	2008	2009	2010	2010	2011
	(unaudited)						
(in thousands)							
<b>Balance Sheet Data</b>							
Total assets	\$ 837,231	\$ 757,580	\$ 697,634	\$ 707,809	\$ 672,736	\$ 724,625	\$ 697,503
Long-term obligations	\$ 234,593	\$ 152,133	\$ 204,095	\$ 204,116	\$ 163,762	\$ 204,112	\$ 164,848
Other liabilities and noncontrolling interest	145,659	98,342	48,598	60,032	119,366	68,773	130,167
Total liabilities and noncontrolling interest	\$ 380,252	\$ 250,475	\$ 252,693	\$ 264,148	\$ 283,128	\$ 272,885	\$ 295,015
Total equity	\$ 456,979	\$ 507,105	\$ 444,941	\$ 443,661	\$ 389,608	\$ 451,740	\$ 402,488

	December 31,					March 31,	
	2006	2007	2008	2009	2010	2010	2011
	(unaudited)						
(at period end, in millions)							
<b>Assets Under Management</b>							
Mutual Funds	\$ 14,528	\$ 16,797	\$ 11,438	\$ 14,806	\$ 18,339	\$ 15,646	\$ 20,101
Institutional & PWM Separate Accounts:							
Direct	10,332	10,732	6,883	9,338	11,031	9,930	11,806
Sub-advisory	2,340	2,584	1,585	1,897	2,637	2,059	2,937
Investment Partnerships	491	460	295	305	515	341	547
Total	\$ 27,691	\$ 30,573	\$ 20,201	\$ 26,346	\$ 32,522	\$ 27,976	\$ 35,391

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**RISK FACTORS**

*In considering whether to invest in the notes, you should carefully consider all of the information included in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference. In particular, before deciding whether to invest in the notes, you should carefully consider the risk factors described below, the discussion of risks relating to our business under the caption "Risk Factors" in our Annual Report on Form 10-K, and the factors listed under "Special Note Regarding Forward-Looking Statements" in the accompanying prospectus. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations, and the risks described below and in the documents incorporated by reference may also adversely affect our business in ways we have not described or do not currently anticipate. Our business, financial condition and results of operations could be materially adversely affected by any of these risks. In such case, you may lose all or part of your original investment.*

**Risk Factors Relating to the Notes**

***The notes are unsecured.***

The notes are unsecured. The indenture for the notes does not restrict our ability to incur additional indebtedness, including secured indebtedness generally, which would have a prior claim on the assets securing that indebtedness. 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. See "Description of Debt Securities - General" in the accompanying prospectus.

***The notes are structurally subordinated to all liabilities of our subsidiaries.***

None of our subsidiaries has guaranteed or otherwise become obligated with respect to the notes. Accordingly, our right to receive assets from any of our subsidiaries upon its bankruptcy, liquidation or reorganization, and the right of holders of the notes to participate in those assets, is structurally subordinated to claims of that subsidiary's creditors, including trade creditors.

***We are a holding company and require cash from our subsidiaries to make payments on the notes.***

The notes are solely our obligation, and no other entity will have any obligation, contingent or otherwise, to make payments in respect of the notes. We are a holding company for several direct and indirect subsidiaries. Our subsidiaries will have no obligation to make payments in respect of the notes. Accordingly, we depend on dividends and other distributions from our subsidiaries to generate the funds necessary to meet our obligations under the indenture governing the notes, including interest payments. As described above, as an equity holder of our subsidiaries, our ability to participate in any distribution of assets of any subsidiary is structurally subordinate to the claims of the creditors of that subsidiary. The indenture governing the notes does not restrict the amount of unsecured debt that our subsidiaries may incur. If we are unable to obtain cash from our subsidiaries, we may be unable to fund required payments in respect of the notes.

***The notes have no prior public market and we cannot assure you that any public market will develop or be sustained after the offering.***

The notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the notes on any national securities exchange or for quotation of the notes on any automated dealer quotation system. We have been advised by the underwriter that it presently intends to make a market in the notes after completion of the offering. However, it is under no obligation to do so and may discontinue any market-making activities at any time without any notice. We cannot assure you that an active trading market for the notes will develop, be maintained or be liquid. If an active trading market for the notes does not develop, is not maintained or is not liquid, the market price of the notes may be adversely affected.

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*We cannot assure you as to the market price for the notes.*

If you are able to resell your notes, the price you receive will depend on many other factors that may vary over time, including:

our credit ratings;

the number of potential buyers of the notes;

the level of liquidity of the notes;

our financial performance;

the amount of total indebtedness we have outstanding;

the level, direction and volatility of market interest rates and credit spreads generally;

the market for similar securities;

the repayment and redemption features of the notes; and

the time remaining until your notes mature.

As a result of these and other factors, you may be able to sell your notes only at a price below that which you believe to be appropriate, including a price below the price you paid for them.

*There is no limit on our ability to create additional notes.*

Under the terms of the indenture under which the notes will be issued, we may from time to time without notice to, or the consent of, the holders of the notes, create and issue additional notes identical to the notes in all respects (except for the issue date, issue price and, in some cases, the first interest payment date) so that the new notes may be consolidated and form a single series with the notes.

*Our ability to repurchase notes upon a change of control may be limited.*

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Upon the occurrence of a Change of Control Repurchase Event, each holder of notes will have the right to require us to repurchase the holder's notes, unless we have exercised our right to redeem the notes as described under "Description of the Notes - Optional Redemption." If a Change of Control Repurchase Event were to occur, but we did not have sufficient funds to pay the repurchase price for all of the notes that were tendered, that failure would constitute an event of default under the indenture governing the notes. Therefore, the occurrence of a Change of Control Repurchase Event at a time when we could not pay for the notes that were tendered as a result of the Change of Control Repurchase Event could result in holders of notes receiving substantially less than the principal amount of the notes.

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**Table of Contents****USE OF PROCEEDS**

We expect to receive net proceeds from this offering of approximately \$99,065,000, after expenses and underwriting discounts and commissions. We intend to use the net proceeds from this offering for working capital and general corporate purposes, which may include acquisitions.

**RATIO OF EARNINGS TO FIXED CHARGES**

The following table sets forth our unaudited ratios of earnings to fixed charges for the periods indicated.

	<b>Year Ending December 31,</b>					<b>Three Months</b>
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>Ended March 31, 2011</b>
<b>Ratio of earnings to fixed charges(1)</b>	10.2x	11.8x	4.8x	7.6x	10.1x	10.9x

(1) These ratios were calculated by dividing the sum of fixed charges into the sum of earnings before taxes and noncontrolling interest and fixed charges. Fixed charges for these purposes consist of all interest expense and the approximate portion of rental expense representing interest.

**Table of Contents****CAPITALIZATION**

The following table sets forth our cash and cash equivalents and capitalization as of March 31, 2011, on an actual and on an as adjusted basis to give effect to the issuance of the notes.

The actual data included in the table below is derived from our consolidated financial statements as of March 31, 2011. This table should be read in conjunction with those consolidated financial statements and the notes thereto in our Quarterly Report on Form 10-Q, which is incorporated by reference in this prospectus supplement.

	<u>As of March 31, 2011</u>	
	<u>Actual</u>	<u>As Adjusted</u>
	(in thousands)	
Cash and cash equivalents	\$ 164,671	\$ 263,736
Long-term debt:		
5.5% Senior Notes due 2013	\$ 99,000	\$ 99,000
0% Subordinated Debentures due 2015 (\$86.4 million outstanding)(1)	60,697	60,697
5.875% Senior Notes due 2021 offered hereby		100,000
Total long term debt	159,697	259,697
Total equity	402,488	402,488
Total capitalization	\$ 562,185	\$ 662,185

- (1) On December 31, 2010, we issued \$86.4 million principal amount of five year zero coupon subordinated debentures due December 31, 2015 to our shareholders of record on December 15, 2010 through the declaration of a special dividend. The debentures are callable at our option, in whole or in part, at any time or from time to time, at a redemption price equal to 100% of the principal amount of the debentures to be redeemed. At March 31, 2011, the debentures were recorded at their fair value of \$60.7 million.

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**DESCRIPTION OF THE NOTES**

The notes will be issued under an indenture (the "base indenture"), dated as of February 6, 2002, between us and The Bank of New York Mellon, as trustee (the "trustee"), as supplemented by a supplemental indenture (the "supplemental indenture"), and together with the base indenture, the "indenture") to be entered into by us and the trustee. The following is a summary of the material provisions of the indenture. It does not include all of the provisions of the indenture. We urge you to read the indenture because it defines your rights. The terms of the notes include those stated in the indenture and those made part of the indenture by reference to the Trust Indenture Act of 1939, as amended. A copy of the indenture may be obtained from us. You can find definitions of certain capitalized terms relating to the notes as used in the indenture in this section.

The following description of the terms of the notes offered by this prospectus supplement supplements the description of the general terms and provisions of the notes set forth in the accompanying prospectus. You should carefully read this prospectus supplement and the accompanying prospectus to understand fully the terms of the notes. All of the information set forth below is qualified in its entirety by the more detailed explanation set forth in the accompanying prospectus, which describes certain general terms and provisions of the debt securities that may be issued under the indenture from time to time. In the event of any inconsistency between the terms of the notes contained in this prospectus supplement and "Description of Debt Securities" in the accompanying prospectus, the terms contained in this prospectus supplement will control with respect to the notes.

As used in this "Description of the Notes," the terms "us," "we" and "our" mean GAMCO Investors, Inc. or any successor obligor and do not include any of its subsidiaries.

**General**

We will initially issue \$100,000,000 aggregate principal amount of the notes. The notes will mature on June 1, 2021.

The notes will be issued as a series of senior debt securities under the base indenture referred to above. The base indenture does not limit the amount of other debt that we may incur. We may, without the consent of the holders of the notes, issue additional notes which will be part of the same series as the notes offered hereby and which will have the same interest rate and other terms (except for the issue date, issue price and, in some cases, the first interest payment date) as described in this prospectus supplement and the accompanying prospectus.

The notes will bear interest from May 31, 2011 at the per annum rate of 5.875%, payable semi-annually in arrears on June 1 and December 1 of each year, beginning on December 1, 2011, to holders of record at the close of business on May 15 or November 15, as the case may be, immediately preceding the relevant interest payment date. Interest on the notes will be calculated on the basis of a 360-day year of twelve 30-day months.

The notes will not have the benefit of a sinking fund—that is, we will not deposit money on a regular basis into any separate custodial account to repay the notes.

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The notes will be issued in registered form, without coupons, and in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

The notes will be payable as to principal, premium, if any, and interest at the office or agency of ours maintained for such purpose within New York City or, at our option, by wire transfer of immediately available funds. See Book-Entry System; Delivery and Form. Until otherwise designated by us, our office or agency in New York City will be the office of the trustee maintained for such purpose.

### **Ranking**

The notes will be our senior unsecured obligations and will:

rank equally in right of payment with all of our existing and future unsubordinated indebtedness;

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rank senior in right of payment to all of our existing and future subordinated indebtedness; and

be structurally subordinated in right of payment to all existing and future indebtedness and other liabilities of our subsidiaries.

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.

As of March 31, 2011, we had \$99.0 million aggregate principal amount of unsecured indebtedness that would rank equally in right of payment with the notes and \$86.4 million principal amount of zero coupon subordinated debentures due 2015. As of March 31, 2011, our subsidiaries had \$50.6 million of indebtedness and other liabilities (excluding intercompany liabilities).

## **Limitation on Liens**

The indenture provides that, so long as any notes are outstanding, neither we nor any of our subsidiaries will create, assume, incur or guarantee any indebtedness for money borrowed which is secured by any pledge of, lien on or security interest in any capital stock of our Designated Subsidiaries, other than specified types of permitted liens.

However, this restriction will not apply if all the notes then outstanding and, at our option, any other senior indebtedness ranking equally with the notes, are secured at least equally and ratably with the otherwise prohibited secured debt so long as it is outstanding.

This limitation does not apply to debt secured by a pledge of, lien on or security interest in any shares of stock of any subsidiary at the time it becomes a Designated Subsidiary, including any renewals or extensions of such secured debt. Designated Subsidiary means any subsidiary of ours, the consolidated net worth of which represents at least 10% of our consolidated net worth.

## **Consolidation, Merger, Sale of Assets and Other Transactions**

The indenture will provide that we may not (i) merge with or into or consolidate with another person (whether or not we are the surviving person) or (ii) sell, assign, transfer, lease or convey all or substantially all of our properties and assets to any other person, in each case, other than a direct or indirect wholly owned subsidiary of ours, unless:

- (1) we shall be the surviving corporation or the person formed by or surviving such merger or consolidation or to which such sale, assignment, transfer, lease or conveyance has been made, if other than us, shall be an entity organized and existing under the laws of the United States of America, any state thereof or the District of Columbia, and shall expressly assume by supplemental indenture all of our obligations under the notes and the indenture;
- (2) immediately after giving effect to such transaction, no default or Event of Default shall have occurred and be continuing; and

- (3) we deliver to the trustee an officers certificate and an opinion of counsel, each stating that the supplemental indenture, if any, complies with the indenture.

**Offer to Repurchase Upon a Change of Control Repurchase Event**

If a Change of Control Repurchase Event (defined below) occurs, unless we have exercised our right to redeem the notes as described under Optional Redemption or Optional Going Private Redemption, we

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will make an offer to each holder of notes to repurchase all or any part (equal to \$2,000 or any multiple of \$1,000 in excess thereof) of that holder's notes at a repurchase price in cash equal to 101 percent of the aggregate principal amount of notes repurchased plus any accrued and unpaid interest on the notes repurchased to the date of purchase. Within 30 days following any Change of Control Repurchase Event or, at our option, prior to any Change of Control (defined below), but after the public announcement of the Change of Control, we will mail a notice to each holder describing the transaction or transactions that constitute or may constitute the Change of Control Repurchase Event and offering to repurchase notes on the payment date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed. The notice shall, if mailed prior to the date of consummation of the Change of Control, state that the offer to purchase is conditioned on the Change of Control Repurchase Event occurring on or prior to the payment date specified in the notice. We will comply with the requirements of Rule 14e-1 under the Securities Exchange Act of 1934 (the Exchange Act) and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the notes as a result of a Change of Control Repurchase Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control Repurchase Event provisions of the notes, we will comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations under the Change of Control Repurchase Event provisions of the notes by virtue of such conflict.

On the Change of Control Repurchase Event payment date in respect of the notes, we will, to the extent lawful:

- (1) accept for payment all notes or portions of notes properly tendered pursuant to our offer;
- (2) deposit with the paying agent an amount equal to the aggregate purchase price in respect of all notes or portions of notes properly tendered; and
- (3) deliver or cause to be delivered to the trustee the notes properly accepted, together with an officers' certificate stating the aggregate principal amount of notes being purchased by us.

The paying agent will promptly pay to each holder of notes properly tendered the purchase price for the notes. If notes shall have been issued in definitive certificated form as set forth under Book-Entry Settlement and Clearance, the trustee will promptly authenticate and mail to each holder a new note equal in principal amount to any unpurchased portion of any notes surrendered; provided that each new note will be in a principal amount of \$2,000 or an integral multiple of \$1,000 in excess thereof.

We will not be required to make an offer to repurchase the notes upon a Change of Control Repurchase Event if a third party makes an offer in respect of the notes in the manner, at the times and otherwise in compliance with the requirements for an offer made by us and such third party purchases all notes properly tendered and not withdrawn under its offer.

We cannot assure you that we will have sufficient funds available at the time of any Change of Control Repurchase Event to make required repurchases of notes tendered. See Risk Factors Our ability to repurchase notes upon a change of control may be limited.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, transfer, conveyance or other disposition of all or substantially all of our properties and assets and those of our subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of notes to require us to repurchase the notes as a result of a sale, transfer, conveyance or other disposition of less than all of our properties and assets and the properties and assets of our subsidiaries taken as a whole to another person or group may be uncertain.

For purposes of the notes:

Below Investment Grade Rating Event means the notes are rated below Investment Grade by both Rating Agencies on any date from the date of the public notice of an arrangement that could result in a Change of

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Control until the end of the 60-day period following public notice of the occurrence of a Change of Control (which period shall be extended so long as the rating of the notes is under publicly announced consideration for possible downgrade by either of the Rating Agencies); provided that a Below Investment Grade Rating Event otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect of a particular Change of Control (and thus shall not be deemed a Below Investment Grade Rating Event for purposes of the definition of Change of Control Repurchase Event hereunder) if the Rating Agencies making the reduction in rating to which this definition would otherwise apply do not announce or publicly confirm or inform the trustee in writing at its request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable Change of Control (whether or not the applicable Change of Control shall have occurred at the time of the Below Investment Grade Rating Event).

Change of Control means the occurrence of any of the following:

- (1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of our properties and assets and those of our Subsidiaries, taken as a whole, to any person (as that term is used in Section 13(d)(3) of the Exchange Act), other than us or one of our wholly owned Subsidiaries;
- (2) the adoption of a plan relating to our liquidation or dissolution;
- (3) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any person (as that term is used in Section 13(d)(3) of the Exchange Act), other than us or one of our wholly owned Subsidiaries or one or more Permitted Holders, becomes the beneficial owner (as that term is defined in Rule 13d-3 under the Exchange Act) of more than 50 percent of our Voting Stock, measured by voting power rather than number of shares;
- (4) the consummation of a Going Private/Rule 13e-3 Transaction; or
- (5) the first day on which a majority of the members of our Board of Directors are not Continuing Directors.

Notwithstanding the foregoing, a transaction effected to create one or more holding companies for us will not be deemed to involve a Change of Control if (1) pursuant to such transaction we become a direct or indirect wholly owned Subsidiary of such holding company and (2) the holders of the Voting Stock of the ultimate parent holding company immediately following such transaction are the same as the holders of our Voting Stock immediately prior to such transaction.

Change of Control Repurchase Event means the occurrence of a Change of Control and a Below Investment Grade Rating Event.

Continuing Directors means, as of any date of determination, any member of our Board of Directors who:

- (1) was a member of such Board of Directors on the first date that any of the notes were issued; or
- (2) was nominated for election or elected to our Board of Directors with the approval of a majority of the Continuing Directors who were members of our Board of Directors at the time of such nomination or election.

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Going Private/Rule 13e-3 Transaction means a so-called going private/Rule 13e-3 Transaction that results in any of the effects described in paragraph (a)(3)(ii) of Rule 13e-3 under the Exchange Act (or any successor provision) with respect to each class of our common stock that, immediately prior to such transaction, was subject to Section 12(g) or 15(d) of the Exchange Act or was listed on a national securities exchange or authorized to be quoted in an inter-dealer quotation system of a registered national securities association, following which one or more Permitted Holders beneficially own, directly or indirectly, more than 50% of our Voting Stock, measured by voting power rather than number of shares.

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**Permitted Holder** means (i) Mario Gabelli and any spouse, parent, child, grandchild, sibling, niece, nephew, aunt or uncle of Mario Gabelli, (ii) any estate, trust, guardianship or custodianship for the primary benefit of one or more individuals described in clause (i) above, (iii) a foundation established by one or more individuals described in clause (i) above, and (iv) any subsidiary or affiliate of, or any other person controlled directly or indirectly by, one or more individuals or entities described in clauses (i), (ii) or (iii) above.

**Investment Grade** means a rating of Baa3 or better by Moody's (or its equivalent under any successor rating categories of Moody's) and BBB- or better by S&P (or its equivalent under any successor rating categories of S&P) (or, in each case, if such Rating Agency ceases to rate the notes for reasons outside of our control, the equivalent investment grade credit rating from any Rating Agency selected by us as a replacement Rating Agency).

**Moody's** means Moody's Investor Services Inc., or any successor thereto.

**Rating Agency** means:

- (1) each of Moody's and S&P; and
- (2) if either of Moody's or S&P ceases to rate the notes or fails to make a rating of the notes publicly available for reasons outside of our control, a nationally recognized statistical rating organization within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act selected by us as a replacement agency for Moody's or S&P, or both, as the case may be.

**S&P** means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., or any successor thereto.

**Voting Stock** as applied to stock of any person, means shares, interests, participations or other equivalents in the equity interest (however designated) in such person having ordinary voting power for the election of a majority of the directors (or the equivalent) of such person, other than shares, interests, participations or other equivalents having such power only by reason of the occurrence of a contingency.

## **Optional Going Private Redemption**

If a Going Private Redemption Event (defined below) occurs, we may, at our option, redeem the notes as a whole or in part, at a redemption price in cash equal to 101 percent of the aggregate principal amount of notes redeemed plus any accrued and unpaid interest on the notes redeemed to the redemption date. Notice of any redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each holder of notes to be redeemed. The notice shall, if mailed prior to the date of consummation of the Going Private/Rule 13e-3 Transaction (as defined above), state that the redemption is conditioned on the Going Private Redemption Event occurring on or prior to the redemption date specified in the notice.

Unless we default in payment of the redemption price, on and after the redemption date interest will cease to accrue on the notes or portions thereof called for redemption.

Going Private Redemption Event means the occurrence of a Going Private/Rule 13e-3 Transaction (as defined above) and a Below Investment Grade Rating Event (as defined above).

### **Optional Redemption**

The notes will be redeemable as a whole or in part, at our option at any time, at a redemption price equal to the greater of (i) 100 percent of the principal amount of such notes and (ii) the sum of the present values of the remaining scheduled payments of principal and interest thereon (exclusive of interest accrued to the date of redemption) discounted to the redemption date on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 45 basis points, plus, in each case, accrued interest thereon to the date of redemption.

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**Treasury Rate** means, with respect to any redemption date, the rate per annum equal to the semiannual equivalent yield to maturity or interpolated (on a day count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

**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 term of the notes to be 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.

**Independent Investment Banker** means one of the Reference Treasury Dealers appointed by us.

**Comparable Treasury Price** means, with respect to any redemption date, (A) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (B) if the trustee is provided with fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

**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 Treasury Dealer at 3:30 p.m. New York time on the third business day preceding such redemption date.

**Reference Treasury Dealer** means Citigroup Global Markets Inc. and its successors and three other nationally recognized investment banking firms that are primary U.S. government securities dealers in New York City (each, a **Primary Treasury Dealer**) as selected by us. If any of the foregoing or their affiliates shall cease to be a Primary Treasury Dealer, we will substitute therefor another Primary Treasury Dealer.

Notice of any redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each holder of notes to be redeemed.

Unless we default in payment of the redemption price, on and after the redemption date interest will cease to accrue on the notes or portions thereof called for redemption.

## **Reports to Holders of the Notes**

The indenture provides that, for as long as the notes are outstanding, we will file with the trustee, within 15 days after we are required to file the same with the Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) that we may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Exchange Act; or, if we are not required to file information, documents or reports pursuant to either of such sections, the indenture provides that we will file with the trustee and the Commission, in accordance with the rules and

regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports that may be required pursuant to Section 13 of the Exchange Act, in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations.

**Events of Default, Notice and Waiver**

For purposes of the notes, each of the following will be an event of default:

- (1) our failure to pay any interest on the notes when due and payable, continued for 30 days;
- (2) our failure to pay principal (or premium, if any) on the notes when due, regardless of whether such payment became due because of maturity, redemption, acceleration or otherwise;

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- (3) our failure to observe or perform any other of our covenants or agreements with respect to the notes for 90 days after we receive notice of such failure;
- (4) certain defaults with respect to our debt (other than the notes or non-recourse debt) in any aggregate principal amount in excess of \$25,000,000 consisting of the failure to make any payment at maturity or that results in acceleration of the maturity of such debt; and
- (5) certain events of bankruptcy, insolvency or reorganization involving us.

If an Event of Default with respect to the notes shall occur and be continuing, the trustee or the holders of at least 25% in aggregate principal amount of the notes outstanding may declare, by notice as provided in the indenture, the principal amount of the notes outstanding to be due and payable immediately; provided that, in the case of an Event of Default involving certain events in bankruptcy, insolvency or reorganization, acceleration is automatic; and, provided further, that after such acceleration, but before a judgment or decree based on acceleration, the holders of a majority in aggregate principal amount of the notes may, under certain circumstances, rescind and annul such acceleration if all Events of Default, other than the nonpayment of accelerated principal, have been cured or waived.

Any past default under the indenture and any Event of Default arising therefrom, may be waived by the holders of a majority in principal amount of the notes, except in the case of (i) default in the payment of the principal of (or premium, if any) or interest on the notes or (ii) default in respect of a covenant or provision which may not be amended or modified without the consent of each holder of the notes.

The trustee is required, within 90 days after the occurrence of a default (which is known to the trustee and is continuing) with respect to the notes (without regard to any grace period or notice requirements), to give to the holders of the notes notice of such default; provided, however, that, except in the case of a default in the payment of the principal of (and premium, if any) or interest on the notes, the trustee shall be protected in withholding such notice if it in good faith determines that the withholding of such notice is in the interests of the holders of the notes.

The trustee, subject to its duties during default to act with the required standard of care, may require indemnification by the holders of the notes before proceeding to exercise any right or power under the indenture at the request of the holders of the notes. Subject to such right of indemnification and to certain other limitations, the holders of a majority in principal amount of the notes may direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee.

No holder of the notes may institute any action against us under the indenture (except actions for payment of overdue principal of (and premium, if any) or interest on the notes) unless (i) the holder has given to the trustee written notice of an Event of Default and of the continuance thereof with respect to the notes, as required under the indenture, (ii) the holders of at least 25% in aggregate principal amount of the notes then outstanding shall have requested the trustee to institute such action and offered to the trustee indemnity reasonably satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request and (iii) the trustee shall not have instituted such action within 60 days of such request.

We are required to furnish annually to the trustee statements as to our compliance with all conditions and covenants under the indenture.

**Discharge, Defeasance and Covenant Defeasance**

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The provisions of the indenture relating to defeasance and covenant defeasance, as described in Description of Debt Securities Discharge, Defeasance and Covenant Defeasance in the accompanying prospectus shall apply to the notes.

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### **Modification and Waiver**

Under the indenture, we and the trustee may supplement the indenture for certain purposes which would not materially adversely affect the interests or rights of the holders of the notes without the consent of those holders. We and the trustee may also modify the indenture or any supplemental indenture in a manner that affects the interests or rights of the holders of the notes with the consent of the holders of a least a majority in aggregate principal amount of the outstanding notes. However, the indenture requires the consent of each holder of the notes that would be affected by any modification which would:

extend the fixed maturity of the notes, or reduce the principal amount thereof, or reduce the rate or extend the time of payment of interest thereon, or reduce any premium payable upon the redemption thereof;

reduce the amount of principal of the notes payable upon acceleration of the maturity thereof;

change the currency in which the notes or any premium or interest is payable;

impair the right to institute suit for any payment on or with respect to the notes;

reduce the percentage in principal amount of the outstanding notes, the consent of whose holders is required for modification or amendment of the indenture or for waiver of compliance with certain provisions of the indenture or for waiver of certain defaults;

reduce the requirements contained in the indenture for quorum or voting; or

modify any of the above provisions.

The indenture permits the holders of at least a majority in aggregate principal amount of the outstanding notes to waive our compliance with certain covenants contained in the indenture.

### **Benefits of Indenture**

Nothing in the indenture will confer upon or give to any person other than us, the trustee, our and its successors, and the person or persons in whose names the notes are registered in the security register for the notes, any benefit, right, remedy or claim under the indenture.

### **Governing Law**

The indenture and the notes will be governed by and construed in accordance with the internal laws of the State of New York.

**Relationship with the Trustee**

The Bank of New York Mellon is the trustee under the indenture. We and our subsidiaries maintain ordinary banking and trust relationships with a number of banks and trust companies, including the trustee under the indenture.

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**BOOK-ENTRY SETTLEMENT AND CLEARANCE**

**Book-Entry System**

The Depository Trust Company ( DTC ), which we refer to along with its successors in this capacity as the depository, will act as securities depository for the notes. The notes will be issued as fully registered securities registered in the name of Cede & Co., the depository's nominee. One or more fully registered global security certificates, representing the total aggregate principal amount of the notes, will be issued and will be deposited with the depository or its custodian and will bear a legend regarding the restrictions on exchanges and registration of transfer referred to below.

Investors may elect to hold interests in the global notes through either DTC, in the U.S., or Clearstream or Euroclear, in Europe, if they are participants of such systems, or indirectly through organizations that are participants in such systems. Clearstream and Euroclear will hold interests on behalf of their participants through customers' securities accounts in Clearstream's and Euroclear's names on the books of their respective depositories, which in turn will hold such interests in customers' securities accounts in the depositories' names on the books of DTC.

DTC has advised us that it is a limited-purpose trust company organized under the New York Banking Law, a banking organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code and a clearing agency registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities that its participants ( Direct Participants ) deposit with DTC and facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ( DTCC ). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ( Indirect Participants ). The DTC rules applicable to its Participants are on file with the SEC.

Clearstream advises that it is incorporated under the laws of Luxembourg as a professional depository. Clearstream holds securities for its participating organizations ( Clearstream Participants ), and facilitates the clearance and settlement of securities transactions between Clearstream Participants through electronic book-entry changes in accounts of Clearstream Participants, thereby eliminating the need for physical movement of certificates. Clearstream provides to Clearstream Participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream interfaces with domestic markets in several countries. As a registered bank in Luxembourg, Clearstream is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector (Commission de Surveillance du Secteur Financier). Clearstream Participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations and may include the underwriter. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream Participant, either directly or indirectly.

Distributions with respect to interests in the notes held beneficially through Clearstream will be credited to cash accounts of Clearstream Participants in accordance with its rules and procedures.



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Euroclear advises that it was created in 1968 to hold securities for participants of Euroclear ( Euroclear Participants ), and to clear and settle transactions between Euroclear Participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear includes various other services, including securities lending and borrowing, and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S. A. /N. V. (the Euroclear Operator ). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator. Euroclear Participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the underwriter. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of Euroclear, and applicable Belgian law (collectively, the Terms and Conditions ). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear Participants, and has no records of or relationship with persons holding through Euroclear Participants.

Distributions with respect to the notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear Participants in accordance with the Terms and Conditions.

We will issue notes in definitive certificated form in exchange for beneficial interests in the global security certificates if the depository notifies us that it is unwilling or unable to continue as depository, the depository ceases to maintain certain qualifications under the Exchange Act and a successor depository is not appointed by us within 90 days, or we determine, in our sole discretion, that the global security certificates shall be exchangeable. If we determine at any time that the notes shall no longer be represented by global security certificates, we will inform the depository of such determination who will, in turn, notify participants of their right to withdraw their beneficial interest from the global security certificates, and if such participants elect to withdraw their beneficial interests, we will issue certificates in definitive form in exchange for such beneficial interests in the global security certificates. Any global note, or portion thereof, that is exchangeable pursuant to this paragraph will be exchangeable for security certificates, as the case may be, registered in the names directed by the depository. We expect that these instructions will be based upon directions received by the depository from its participants with respect to ownership of beneficial interests in the global security certificates.

As long as the depository or its nominee is the registered owner of the global security certificates, the depository or its nominee, as the case may be, will be considered the sole owner and holder of the global security certificates and all notes represented by these certificates for all purposes under the indenture. Except in the limited circumstances referred to above, owners of beneficial interests in global security certificates:

will not be entitled to have the notes represented by these global security certificates registered in their names, and

will not be considered to be owners or holders of the global security certificates or any notes represented by these certificates for any purpose under the notes or the indenture.

All payments on the notes represented by global security certificates and all transfers and deliveries of related notes will be made to the depository or its nominee, as the case may be, as the holder of such securities.

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Ownership of beneficial interests in the global security certificates will be limited to participants or persons that may hold beneficial interests through institutions that have accounts with the depository or its nominee.

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Ownership of beneficial interests in global security certificates will be shown only on, and the transfer of those ownership interests will be effected only through, records maintained by the depository or its nominee, with respect to participants' interests, or any participant, with respect to interests of persons held by the participant on their behalf. Payments, transfers, deliveries, exchanges and other matters relating to beneficial interests in global security certificates may be subject to various policies and procedures adopted by the depository from time to time. Neither we nor the trustee will have any responsibility or liability for any aspect of the depository's or any participant's records relating to, or for payments made on account of, beneficial interests in global security certificates, or for maintaining, supervising or reviewing any of the depository's records or any participant's records relating to these beneficial ownership interests.

Although the depository has agreed to the foregoing procedures in order to facilitate transfers of interests in the global security certificates among participants, the depository is under no obligation to perform or continue to perform these procedures, and these procedures may be discontinued at any time. We will not have any responsibility for the performance by the depository or its direct participants or indirect participants under the rules and procedures governing the depository.

The information in this section concerning the depository, its book-entry system, Clearstream and Euroclear has been obtained from sources that we believe to be reliable, but we have not attempted to verify the accuracy of this information.

## **Global Clearance and Settlement Procedures**

Initial settlement for the notes will be made in immediately available funds. Secondary market trading between DTC Participants will occur in the ordinary way in accordance with DTC rules and will be settled in immediately available funds using DTC's Same-Day Funds Settlement System. Secondary market trading between Clearstream Participants and/or Euroclear Participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream and Euroclear, as applicable.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream Participants or Euroclear Participants, on the other, will be effected through DTC in accordance with DTC rules; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time).

Because of time-zone differences, credits of the notes received in Clearstream or Euroclear as a result of a transaction with a DTC Participant will be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Such credits or any transactions in such notes settled during such processing will be reported to the relevant Euroclear Participant or Clearstream Participant on such business day. Cash received in Clearstream or Euroclear as a result of sales of the notes by or through a Clearstream Participant or a Euroclear Participant to a DTC Participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the business day following settlement in DTC.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of notes among participants of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be discontinued or changed at any time.

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**CERTAIN MATERIAL UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS FOR NON-U.S. HOLDERS**

The following is a general discussion of certain material U.S. federal income tax consequences of the purchase, ownership and disposition of the notes. This discussion applies only to a Non-U.S. Holder (as defined below) that acquires the notes pursuant to this offering at the initial offering price. This discussion is limited to investors that hold the notes as capital assets for U.S. federal income tax purposes. Furthermore, this discussion does not address all aspects of U.S. federal income taxation that may be applicable to investors in light of their particular circumstances, or to investors subject to special treatment under U.S. federal income tax law, such as financial institutions, insurance companies, tax-exempt organizations, entities that are treated as partnerships for U.S. federal income tax purposes, U.S. holders of notes, dealers in securities or currencies, expatriates, persons deemed to sell the notes under the constructive sale provisions of the Internal Revenue Code of 1986, as amended (the Code), and persons that hold the notes as part of a straddle, hedge, conversion transaction or other integrated investment. Furthermore, this discussion does not address any U.S. federal estate or gift tax consequences or any state, local or foreign tax consequences. Prospective investors are urged to consult their tax advisors regarding the U.S. federal, state, local and foreign income and other tax consequences of the purchase, ownership and disposition of the notes. This discussion is based upon the Code, the Treasury Department regulations (the Treasury Regulations) promulgated thereunder and judicial decisions and administrative interpretations thereof, all as of the date hereof and all of which are subject to change, possibly with retroactive effect.

For purposes of this summary, the term Non-U.S. Holder means a beneficial owner of a note (other than a partnership) that is not, for U.S. federal income tax purposes (i) an individual that is a citizen or resident of the United States, (ii) a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, that is created or organized under the laws of the United States, any of the States or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source, or (iv) a trust (A) if a court within the United States is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all substantial decisions of such trust, or (B) that has made a valid election under applicable Treasury Regulations to be treated as a U.S. person for U.S. federal income tax purposes.

If a partnership (including any entity or arrangement treated as a partnership for U.S. federal income tax purposes) owns notes, the tax treatment of a partner in the partnership will depend upon the status of the partner and the activities of the partnership. Partners in a partnership that owns the notes should consult their tax advisors as to the particular U.S. federal income tax consequences applicable to them.

**Non-U.S. Holders**

***Interest***

Subject to the discussion below concerning backup withholding, a Non-U.S. Holder generally will not be subject to U.S. federal income or withholding tax on payments of interest on the notes provided that (i) such interest is not effectively connected with the conduct of a trade or business within the United States by the Non-U.S. Holder (or, if certain tax treaties apply, if such interest is effectively connected with the conduct of a trade or business within the United States but is not attributable to a permanent establishment maintained in the United States by the Non-U.S. Holder) and (ii) the Non-U.S. Holder (A) does not actually or constructively own 10% or more of the total combined voting power of all classes of our voting stock, (B) is not a controlled foreign corporation related to us directly or constructively through stock ownership, and (C) satisfies certain certification requirements. Such certification requirements will be met if (x) the Non-U.S. Holder provides its name and address and certifies on the appropriate Internal Revenue Service (IRS) form, under penalties of perjury, that it is not a U.S. person or (y) a securities clearing organization or certain other financial institutions holding the note on behalf of the Non-U.S. Holder certifies on the appropriate IRS form, under penalties of perjury, that such certification has been received by it and furnishes us or our paying agent with a copy thereof. In addition, we or





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our paying agent must not have actual knowledge or reason to know that the beneficial owner of the note is a U.S. person.

If interest on the notes is not effectively connected with the conduct of a trade or business in the United States by a Non-U.S. Holder, but such Non-U.S. Holder cannot satisfy the other requirements outlined above, interest on the notes will generally be subject to U.S. withholding tax at a 30% rate (or a lower applicable treaty rate).

If interest on the notes is effectively connected with the conduct of a trade or business within the United States by the Non-U.S. Holder, and, if required by an applicable tax treaty, is attributable to a permanent establishment maintained by the Non-U.S. Holder within the United States, then the Non-U.S. Holder generally will be subject to U.S. federal income tax on such interest in the same manner as if such holder were a U.S. person and, in the case of a Non-U.S. Holder that is a foreign corporation, may also be subject to an additional branch profits tax at a rate of 30% (or a lower applicable treaty rate). However, any such interest will not also be subject to withholding tax if the Non-U.S. Holder delivers to us a properly executed IRS Form W-8ECI in order to claim an exemption from withholding tax.

Non-U.S. Holders should consult their tax advisors regarding any applicable income tax treaties, which may provide for a lower rate of withholding tax, exemption from or reduction of branch profits tax, or other rules different from those described above.

## ***Disposition of the Notes***

Subject to the discussion below concerning backup withholding, a Non-U.S. Holder generally will not be subject to U.S. federal withholding tax with respect to gain recognized on the sale, exchange, retirement or other disposition of the notes. A Non-U.S. Holder also generally will not be subject to U.S. federal income tax with respect to such gain unless (i) the gain is effectively connected with the conduct of a trade or business within the United States by the Non-U.S. Holder and, if required by an applicable tax treaty, is attributable to a permanent establishment maintained by the Non-U.S. Holder within the United States, or (ii) in the case of a Non-U.S. Holder that is a nonresident alien individual, such holder is present in the United States for 183 or more days in the taxable year and certain other conditions are satisfied. In the case described above in (i), gain or loss recognized on the disposition of such notes will generally be subject to U.S. federal income taxation in the same manner as if such gain or loss were recognized by a U.S. person, and, in the case of a Non-U.S. Holder that is a foreign corporation, may also be subject to an additional branch profits tax at a rate of 30% (or a lower applicable treaty rate). In the case described above in (ii), the Non-U.S. Holder generally will be subject to 30% tax (or lower applicable treaty rate) on any capital gain recognized on the disposition of the notes, which may be offset by certain U.S. source capital losses. Proceeds from the disposition of a note that are attributable to accrued but unpaid interest generally will be subject to, or exempt from, tax to the same extent as described above with respect to interest paid on a note.

## **Information Reporting and Backup Withholding**

A Non-U.S. Holder generally will be required to comply with certain certification procedures in order to establish that such holder is not a U.S. person in order to avoid backup withholding with respect to payments of principal and interest on or the proceeds of a disposition of the notes. In addition, we must report annually to the IRS and to each Non-U.S. Holder the amount of any interest paid to such Non-U.S. Holder and the amount of tax, if any, withheld with respect to such interest. Copies of the information returns reporting such interest payments and the amount of any tax withheld may also be made available to the tax authorities in the country in which a Non-U.S. Holder resides under the provisions of an applicable income tax treaty. Any amounts withheld under the backup withholding rules will be allowed as a refund or credit against a Non-U.S. Holder's U.S. federal income tax liability provided the required information is timely provided to the IRS. Non-U.S. Holders should consult their tax advisors as to their qualification for any exemption for backup withholding and the procedure for obtaining such an exemption.



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**UNDERWRITING**

Citigroup Global Markets Inc. is acting as sole book-running manager of the offering. Subject to the terms and conditions stated in the underwriting agreement dated the date of this prospectus supplement, the underwriter has agreed to purchase, and we have agreed to sell to the underwriter, \$100,000,000 aggregate principal amount of notes.

The underwriting agreement provides that the obligations of the underwriter to purchase the notes included in this offering are subject to approval of legal matters by counsel and to other conditions. The underwriter is obligated to purchase all the notes if it purchases any of the notes.

Notes sold by the underwriter to the public will initially be offered at the initial public offering price set forth on the cover of this prospectus supplement. Any notes sold by the underwriter to securities dealers may be sold at a discount from the initial public offering price not to exceed 0.35% per note. Any such securities dealers may resell any notes purchased from the underwriter to certain other brokers or dealers at a discount from the initial public offering price not to exceed 0.20% per note. If all the notes are not sold at the initial offering price, the underwriter may change the offering price and the other selling terms.

The following table shows the underwriting discounts and commissions that we are to pay to the underwriter in connection with this offering (expressed as a percentage of the principal amount of the notes).

	<b>Paid by GAMCO Investors, Inc.</b>
Per note	0.65%

We estimate that our total expenses for this offering will be \$285,000.

In connection with the offering, the underwriter may purchase and sell notes in the open market. Purchases and sales in the open market may include short sales, purchases to cover short positions and stabilizing purchases.

Short sales involve secondary market sales by the underwriter of a greater number of notes than it is required to purchase in the offering.

Covering transactions involve purchases of notes in the open market after the distribution has been completed in order to cover short positions.

Stabilizing transactions involve bids to purchase notes so long as the stabilizing bids do not exceed a specified maximum.

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Purchases to cover short positions and stabilizing purchases, as well as other purchases by the underwriter for its own account, may have the effect of preventing or retarding a decline in the market price of the notes. They may also cause the price of the notes to be higher than the price that would otherwise exist in the open market in the absence of these transactions. The underwriter may conduct these transactions in the over-the-counter market or otherwise. If the underwriter commences any of these transactions, it may discontinue them at any time.

The underwriter has performed commercial banking, investment banking and advisory services for us from time to time for which it has received customary fees and reimbursement of expenses. The underwriter may, from time to time, engage in transactions with and perform services for us in the ordinary course of its business for which it may receive customary fees and reimbursement of expenses.

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We have agreed to indemnify the underwriter against certain liabilities, including liabilities under the Securities Act of 1933, as amended, or to contribute to payments the underwriter may be required to make because of any of those liabilities.

### **Notice to Prospective Investors in the European Economic Area**

In relation to each member state of the European Economic Area that has implemented the Prospectus Directive (each, a relevant member state), with effect from and including the date on which the Prospectus Directive is implemented in that relevant member state (the relevant implementation date), an offer of notes described in this prospectus supplement may not be made to the public in that relevant member state prior to the publication of a prospectus in relation to the notes that has been approved by the competent authority in that relevant member state or, where appropriate, approved in another relevant member state and notified to the competent authority in that relevant member state, all in accordance with the Prospectus Directive, except that, with effect from and including the relevant implementation date, an offer of securities may be offered to the public in that relevant member state at any time:

to any legal entity that is authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

to any legal entity that has two or more of (1) an average of at least 250 employees during the last financial year, (2) a total balance sheet of more than 43,000,000 and (3) an annual net turnover of more than 50,000,000, as shown in its last annual or consolidated accounts;

to fewer than 100 natural or legal persons (other than qualified investors as defined below) subject to obtaining the prior consent of the underwriter for any such offer; or

in any other circumstances that do not require the publication of a prospectus pursuant to Article 3 of the Prospectus Directive.

Each purchaser of notes described in this prospectus supplement located within a relevant member state will be deemed to have represented, acknowledged and agreed that it is a qualified investor within the meaning of Article 2(1)(e) of the Prospectus Directive.

For purposes of this provision, the expression an offer to the public in any relevant member state means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe the securities, as the expression may be varied in that member state by any measure implementing the Prospectus Directive in that member state, and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each relevant member state.

We have not authorized and do not authorize the making of any offer of notes through any financial intermediary on our behalf, other than offers made by the underwriter with a view to the final placement of the notes as contemplated in this prospectus supplement. Accordingly, no purchaser of the notes, other than the underwriter, is authorized to make any further offer of the notes on behalf of us or the underwriter.

### **Notice to Prospective Investors in the United Kingdom**

This prospectus supplement and the accompanying prospectus are only being distributed to, and is only directed at, persons in the United Kingdom that are qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive that are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order ) or (ii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (each such person being referred to as a relevant person ). This prospectus supplement and its contents are

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confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this document or any of its contents.

**Notice to Prospective Investors in France**

Neither this prospectus supplement nor any other offering material relating to the notes described in this prospectus supplement has been submitted to the clearance procedures of the *Autorité des Marchés Financiers* or of the competent authority of another member state of the European Economic Area and notified to the *Autorité des Marchés Financiers*. The notes have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France. Neither this prospectus supplement nor any other offering material relating to the notes has been or will be:

released, issued, distributed or caused to be released, issued or distributed to the public in France; or