

CENTURYTEL INC
Form S-4/A
January 17, 2003
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As filed with the Securities and Exchange Commission on January 17, 2003.

Registration No. 333-100480



SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549



Pre-Effective Amendment No. 1

to

FORM S-4

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933



CenturyTel, Inc.	Louisiana	72-0651161
(Exact name of registrant as specified in its charter)	(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

100 CenturyTel Drive
Monroe, Louisiana 71203
(318) 388-9000

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



Harvey P. Perry
Executive Vice President, Chief Administrative Officer
and General Counsel
CenturyTel, Inc.
100 CenturyTel Drive
Monroe, Louisiana 71203
(318) 388-9000

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

Copy to:

Kenneth J. Najder
Jones, Walker, Waechter, Poitevent, Carrère & Denègre, L.L.P.
201 St. Charles Avenue, 51st Floor
New Orleans, Louisiana 70170-5100
(504) 582-8000

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC:

As soon as practicable after the effective date of this registration statement.

If the only securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

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

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell the securities and we are not soliciting offers to buy these securities in any state where the offer or sale is not permitted.

PROSPECTUS

Offer to Exchange
\$500,000,000 Registered 7.875% Senior Notes, Series L, due 2012
for
All Outstanding Unregistered 7.875% Senior Notes, Series L, due 2012

We are offering to exchange 7.875% senior notes, Series L, due 2012 that we have registered under the Securities Act of 1933 for all of our outstanding 7.875% senior notes, Series L, due 2012. In this prospectus, we refer to our registered notes as the exchange notes and our outstanding senior notes as the outstanding notes. We refer to the exchange notes and the outstanding notes collectively as the notes, all of which are described further herein.

- We hereby offer to exchange all outstanding notes that are validly tendered and not withdrawn for an equal principal amount of exchange notes which are registered under the Securities Act of 1933.
- The exchange offer will expire at 5:00 p.m., New York City time, on _____, 2003, unless extended
- You may withdraw tenders of your outstanding notes at any time before the exchange offer expires.
- We will issue the exchange notes promptly after the exchange offer expires.
- We believe that the exchange of outstanding notes for exchange notes will not be a taxable event for federal income tax purposes, but you should read "Certain U.S. Federal Income Tax Consequences" beginning on page 35 for more information.
- We will not receive any proceeds from the exchange offer.
- No public market currently exists for the exchange notes. We do not intend to apply for listing of the exchange notes on any securities exchange or to arrange for them to be quoted on any quotation system

Owning the exchange notes involves risks that we describe in the "Risk Factors" section beginning on page 13.

Each broker-dealer that receives exchange notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. The letter of transmittal described below states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act of 1933. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in exchange for outstanding notes where such outstanding notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period of 180 days after the expiration date (as defined herein), we will make this prospectus available to any broker-dealer for use in connection with any such resale. See "Plan of Distribution."

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

The date of this prospectus is _____, 2003

NO DEALER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS IN CONNECTION WITH THE OFFER CONTAINED IN THIS PROSPECTUS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY CENTURYTEL. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF CENTURYTEL SINCE THE DATE HEREOF. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OTHER THAN THOSE SPECIFICALLY OFFERED HEREBY OR ANY SECURITIES IN ANY JURISDICTION WHERE, OR TO ANY PERSON TO WHOM, IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION. YOU SHOULD ASSUME THAT THE INFORMATION CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS IS ACCURATE ONLY AS OF THE DATE ON THE FRONT COVER OF THOSE DOCUMENTS.

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FORWARD-LOOKING STATEMENTS

Certain statements contained or incorporated by reference in this prospectus that are not historical facts are intended to be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on current expectations only, and are subject to a number of risks, uncertainties and assumptions, many of which are beyond our control. Our actual results may differ materially from those anticipated, estimated or projected if one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect. Factors that could affect actual results include but are not limited to:

		our ability to effectively manage our growth, including integrating newly acquired properties into our operations, hiring adequate numbers of qualified staff and successfully upgrading our billing and other information systems
		the risks inherent in rapid technological change
		the effects of ongoing changes in the regulation of the communications industry, including the final outcome of pending regulatory and judicial proceedings affecting communication companies generally
		the effects of greater than anticipated competition in our markets
		possible changes in the demand for, or pricing of, our products and services, including lower than anticipated demand for our newly offered products and services
		our ability to successfully introduce new product or service offerings on a timely and cost-effective basis
		the direct and indirect effects on our business resulting from the financial difficulties of other communications companies, including the effect on our ability to collect receivables from financially troubled carriers and our ability to access the capital markets on favorable terms, and
		the effects of more general factors, such as changes in interest rates, in the capital markets, in general market or economic conditions or in legislation, regulation or public policy.

These factors, and others, are described in greater detail in Item 1 of our Annual Report on Form 10-K for the year ended December 31, 2001, which is incorporated by reference in this prospectus. You are cautioned not to place undue reliance on our forward-looking statements, which speak only as of the date of the document in which they appear. Except for our obligations to disclose material information under the federal securities laws, we undertake no obligation to update any of our forward-looking statements for any reason.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You can read and copy that information at the public reference room of the SEC at 450 Fifth Street, NW, Washington, D.C. 20549. You may call the SEC at 1-800-SEC-0330 for more information about the public reference room. The SEC also maintains an Internet site that contains reports, proxy and information statements and other information regarding registrants, like us, that file reports with the SEC electronically. The SEC's Internet address is <http://www.sec.gov>. You may also obtain certain information about us at the offices of the New York Stock Exchange at 20 Broad Street, New York, New York 10005.

We have filed a registration statement on Form S-4 and related exhibits with the SEC under the Securities Act. The registration statement may contain additional information that may be important to you. You may obtain a copy of the registration statement and exhibits from the SEC as indicated above.

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In this document, we "incorporate by reference" certain information that we file with the SEC, which means that we can disclose important information to you by referring to that information. You will be deemed to have notice of all information incorporated by reference in this prospectus as if that information was included in this prospectus. You should therefore read the information incorporated by reference in this prospectus with the same care you use when reading this prospectus. Certain information that we file later with the SEC will automatically update and supersede information incorporated by reference in this prospectus and information contained in this prospectus.

We incorporate by reference the following documents that we have filed with the SEC pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"):

	Annual Report on Form 10-K for the year ended December 31, 2001.
	Quarterly Reports on Form 10-Q for the quarters ended March 31, 2002, June 30, 2002 and September 30, 2002.
	Current Reports on Form 8-K filed on January 31, 2002, February 1, 2002, March 22, 2002, April 25, 2002, April 29, 2002, May 3, 2002, June 28, 2002, July 15, 2002, July 19, 2002, July 26, 2002, August 13, 2002 (two reports), August 14, 2002, August 22, 2002, October 8, 2002, October 25, 2002, and January 13, 2003.
	All documents filed by us with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and prior to the termination of this offering.

At your request, we will provide you with a free copy of any of these filings (except for exhibits, unless the

exhibits are specifically incorporated by reference into the filing). You may request copies by writing us at 100 CenturyTel Drive, Monroe, Louisiana 71203, Attention: Harvey P. Perry, or by telephoning us at (318) 388-9000. In addition, so long as any notes remain outstanding as "restricted securities" within the meaning of Rule 144 under the Securities Act, we will make available to any holder of notes, upon request, at the same address and phone number, information as is necessary to permit sales pursuant to Rule 144 and Rule 144A under the Securities Act during any period in which we are not subject to Section 13 or 15(d) of the Exchange Act.

PROSPECTUS SUMMARY

This summary highlights selected information from this prospectus and is not intended to contain all of the information that may be important to you. You should read the entire prospectus and the documents to which we have referred you. As used in this prospectus, the terms "CenturyTel," "we," "our" and "us" refer to CenturyTel, Inc., and not any of its subsidiaries (unless the context requires and except under the heading "CenturyTel" immediately below, where such terms refer to the consolidated operations of CenturyTel, Inc. and its subsidiaries).

CenturyTel

We are a regional integrated communications company. We are primarily engaged in providing local telephone communications services in 22 states. We also provide long distance, Internet, competitive local exchange, broadband data, security monitoring, and other communications and business information services. As described further below, we recently sold our wireless communications business. For the nine months ended September 30, 2002, local telephone services provided approximately 88% of our consolidated operating revenues from continuing operations.

Our principal offices are located at 100 CenturyTel Drive, Monroe, Louisiana 71203, telephone number: (318) 388-9000.

Operations

Telephone operations.

Based on published sources, we believe that we are currently the eighth largest local exchange telephone company in the United States, measured by the number of telephone access lines served. At September 30, 2002, our telephone subsidiaries served over 2.4 million access lines in 22 states, primarily in rural, suburban and small urban communities. All of our access lines are served by digital switching technology, which in conjunction with other technologies allows us to offer additional premium services to our customers, including call forwarding, conference calling, caller identification, selective call ringing and call waiting.

The following table sets forth information with respect to our access lines as of September 30, 2002:

	<u>State</u>	<u>Number of Access Lines</u>	<u>Percent of Access Lines</u>
	Wisconsin	494,707 (1)	20.3%
	Missouri	485,063 (2)	19.9%
	Alabama	292,969	12.0%
	Arkansas	269,708	11.1%
	Washington	189,415	7.8%
	Michigan	115,531	4.7%
	Louisiana	104,689	4.3%
	Colorado	97,090	4.0%
	Ohio	84,481	3.5%
	Oregon	77,303	3.2%
	Montana	66,044	2.7%
	Texas	49,602	2.0%
	Minnesota	31,111	1.3%
	Tennessee	27,606	1.1%
	Mississippi	24,212	1.0%
	New Mexico	6,547	--(3)
	Idaho	6,064	--(3)
	Wyoming	5,550	--(3)
	Indiana	5,470	--(3)
	Iowa	2,079	--(3)
	Arizona	1,990	--(3)
	Nevada	5013	--(3)
		<u>2,437,744</u>	<u>100%</u>

(1) Approximately 61,930 of these lines are owned and operated by CenturyTel's 89%-owned affiliate.

(2) Approximately 130,870 of these lines are owned and operated by CenturyTel's 75.7%-owned affiliate.

(3) Represents less than 1%.

Our telephone subsidiaries are installing fiber optic cable in certain of our high traffic markets and have provided alternative routing of telephone service over fiber optic cable networks in several strategic operating areas. At September 30, 2002, our telephone subsidiaries had approximately 13,800 miles of fiber optic cable in use.

Other operations.

We also provide long distance, Internet, competitive local exchange, broadband data, and security monitoring in certain local and regional markets, as well as certain printing and related business information services. At September 30, 2002, our long distance business served approximately 584,890 customers in certain of our markets, and we provided Internet access services to a total of approximately 171,900 customers, 129,800 of which received traditional dial-up Internet service and 42,100 of which received retail DSL services.

In late 2000, we began offering competitive local exchange telephone services, coupled with long distance, Internet access and other services, to small to medium-sized businesses in Monroe and Shreveport, Louisiana, and in late 2001, we began offering similar services in Grand Rapids and Lansing, Michigan.

Acquisitions and Dispositions

Wireline acquisitions. On July 1, 2002, we completed the purchase of assets comprising all of the local exchange telephone operations of Verizon Communications, Inc. ("Verizon") in the state of Alabama for approximately \$1.022 billion in cash. The assets purchased include (i) all telephone access lines (which numbered nearly 300,000 at the time of purchase) and related

property and equipment comprising Verizon's local exchange operations in 90 exchanges in predominantly rural markets throughout Alabama, (ii) Verizon's assets used to provide DSL and other high speed data services within the purchased exchanges and (iii) approximately 1,400 route miles of fiber optic cable within the purchased exchanges. The acquired assets do not include Verizon's wireless, long distance, dial-up Internet, or directory publishing operations, or rights under various Verizon contracts, including those relating to customer premise equipment. We did not assume any liabilities of Verizon other than (i) those associated with contracts, facilities and certain other assets transferred in connection with the purchase and (ii) certain employee-related liabilities, including liabilities for postretirement health benefits.

On August 31, 2002, we completed the purchase of assets comprising all of Verizon's local exchange telephone operations in the state of Missouri for approximately \$1.179 billion in cash. The assets purchased include (i) all telephone access lines (which numbered approximately 354,000 at the time of purchase) and related property and equipment comprising Verizon's local exchange operations in 98 exchanges in predominantly rural and suburban markets throughout Missouri, several of which are adjacent to properties that we have owned and operated since 2000, (ii) Verizon's assets used to provide DSL and other high speed data services within the purchased exchanges in Missouri and (iii) an aggregate of approximately 1,400 route miles of fiber optic cable within the purchased exchanges in Missouri. Our agreement with Verizon relating to assets retained by Verizon and liabilities assumed by us in the transaction are the same as those described above for the Alabama purchase.

Wireless operations divestiture. On August 1, 2002, we completed the sale of substantially all of our wireless operations to an affiliate of ALLTEL Corporation ("Alltel"). We agreed on March 19, 2002 to sell our wireless operations to Alltel for \$1.65 billion in cash. Due to a cross-ownership restriction that precluded the sale of one minority-owned market, we received approximately \$1.591 billion in connection with the transaction (\$1.285 billion after tax). Alltel has agreed to purchase this minority interest from us for approximately \$68 million, if, among other things, the FCC waives the cross-ownership restriction prior to February 1, 2003. No assurance can be given that this sale will occur.

In connection with this transaction, we divested our (i) interests in our majority-owned and operated cellular systems, which at June 30, 2002 served approximately 783,000 customers and had access to approximately 7.8 million pops, (ii) minority cellular equity interests representing approximately 1.8 million pops at June 30, 2002,

and (iii) licenses to provide Personal Communications Services covering approximately 1.3 million pops in Wisconsin and Iowa.

Future acquisitions. We continually evaluate the possibility of acquiring additional communications assets in exchange for cash, securities or both, and at any given time may be engaged in discussions or negotiations regarding additional acquisitions. We generally do not announce our acquisitions until we have entered into a preliminary or definitive agreement. Over the past few years, the number and size of communications properties on the market has increased substantially. Although our primary focus will continue to be on acquiring interests near our properties or that serve a customer base large enough for us to operate efficiently, we may also acquire other communications interests and these acquisitions could have a material impact upon CenturyTel.

When used in this prospectus, (1) the term "FCC" means the Federal Communications Commission, (2) the term "DSL" means digital subscriber lines, through which we provide high-speed Internet service, and (3) the term "pops," whenever used with respect to wireless operations, means the population of licensed markets (based on independent third-party population estimates) multiplied by our proportionate equity interests in the licensed operators of those markets.

The Exchange Offer	
Securities Offered	We are offering to exchange the outstanding notes for the exchange notes in the aggregate

		<p>principal amount of up to \$500,000,000. The exchange notes will evidence the same debt as the outstanding notes and will be entitled to the benefits of the same indenture as the outstanding notes. The terms of the exchange notes and outstanding notes are identical in all material respects, except principally for certain provisions relating to additional interest and transfer restrictions.</p>	
<p>The Exchange Offer</p>		<p>The exchange notes are being offered in exchange for a like principal amount of outstanding notes. The outstanding notes may be exchanged only in integral multiples of \$1,000. The issuance of the exchange notes is intended to satisfy our obligations contained in a registration rights agreement between us and the initial purchasers of the outstanding notes.</p>	
<p>Resale of Exchange Notes</p>		<p>Based on interpretive letters of the SEC staff to third parties, we believe that you may resell and transfer the exchange notes issued pursuant to the exchange offer in exchange for outstanding notes without compliance with the registration and prospectus delivery provisions of the Securities Act if, among other things:</p> <ul style="list-style-type: none"> • you are acquiring the exchange notes in the ordinary course of your business; • you have no arrangement or understanding with any person to participate in the distribution of the exchange notes; • you are not our affiliate (as defined in Rule 405 promulgated under the Securities Act); and • you are not engaged in, and do not intend to engage in, the distribution of the exchange notes. <p>However, the SEC has not confirmed this treatment and we cannot assure you that the staff of the SEC would make a similar determination with respect to the exchange offer.</p>	

	<p>If you fail to satisfy any of these conditions, you will be subject to the registration and prospectus delivery requirements of the Securities Act in connection with a resale of the exchange notes.</p> <p>Each broker-dealer that receives exchange notes for its own account pursuant to the exchange offer in exchange for outstanding notes that it acquired as a result of market-making or other trading activities must deliver a prospectus in connection with any resale of the exchange notes and provide us with a signed acknowledgment of these obligations.</p>	
Expiration Date	The exchange offer expires at 5:00 p.m., New York City time,	

on _____, 2003, or such later date and time to which it is extended by us in our sole discretion (the "expiration date").

Conditions to the Exchange Offer

Our obligation to consummate the exchange offer is subject to certain customary conditions. See "The Exchange Offer." We reserve the right to terminate or amend the exchange offer at any time prior to the expiration date upon the occurrence of any such condition.

Withdrawal Right

Tenders may be withdrawn at any time prior to the expiration date. Any outstanding notes not accepted for any reason will be returned without expense to the tendering holder as promptly as practicable after the expiration or termination of the exchange offer.

Procedure for Tendering Outstanding Notes

We issued the outstanding notes as global securities in fully registered form without coupons. Beneficial interests in the outstanding notes which are held by direct or indirect participants in The Depository Trust Company ("DTC") through uncertificated depository interests are shown on, and transfers of the outstanding notes can be made only through, records maintained in book-entry form by DTC with respect to its participants. If you are a holder of an outstanding note held in the form of a

book-entry interest and you wish to tender your outstanding notes for exchange pursuant to the exchange offer, you must transmit to the exchange agent, on or prior to the expiration date:

- a written or facsimile copy of a properly completed and executed letter of transmittal and all other required documents to the address set forth on the cover page of the letter of transmittal; or
- a computer-generated message transmitted by means of DTC's Automated Tender Offer Program system and forming a part of a confirmation of book-entry transfer in which you acknowledge and agree to be bound by the terms of the letter of transmittal.

The exchange agent must also receive on or prior to the expiration date:

- a timely confirmation of book-entry transfer of your outstanding notes into the exchange agent's account at DTC, in accordance with the procedure for book-entry transfers described in this prospectus under "The Exchange Offer -- Exchange Offer Procedures -- Book-Entry Transfer" or
- the documents necessary for compliance with the guaranteed delivery procedures described in this prospectus under "The Exchange Offer -- Exchange Offer Procedures."

Use of Proceeds

We will not receive any cash proceeds from the issuance of the exchange notes pursuant to the exchange offer.

Exchange Agent Regions Bank is serving as the exchange agent in connection with the exchange offer.

United States Federal Income

Tax Consequences The exchange of outstanding notes pursuant to the exchange offer should not be a taxable event for United States federal income tax purposes. See "Certain U.S. Federal Income Tax Considerations -- The Exchange Offer."

Effect on Holders of Outstanding Notes

Upon acceptance for exchange of all validly tendered outstanding notes pursuant to the terms of this exchange offer, we will have fulfilled a covenant contained in the registration rights agreement between us and the initial purchasers of the outstanding notes and, accordingly, the holders of the outstanding notes will have no further registration or other rights under the registration rights agreement, except under certain limited circumstances. See "The Exchange Offer -- Terms of the Exchange." Holders of the outstanding notes who do not tender their outstanding notes in the exchange offer will continue to hold such outstanding notes and will be entitled to all rights and limitations thereto under the indenture. All untendered, and tendered but unaccepted, outstanding notes will continue to be subject to the restrictions on transfer provided for in such outstanding notes and the indenture. To the extent outstanding notes are tendered and accepted in the exchange offer, the trading market, if any, for the outstanding notes could be adversely affected. See "Risk Factors -- Risk Factors Relating to the Exchange Offer -- Outstanding notes not exchanged for exchange notes will continue to be subject to restrictions on transfer and may become less liquid."

The Exchange Notes

Issuer CenturyTel, Inc., a Louisiana corporation.

Notes Offered \$500 million aggregate principal amount of 7.875% Senior Notes, Series L, due 2012.

Maturity August 15, 2012.

Ranking

The exchange notes will be our senior unsecured obligations. The exchange notes will rank senior to any of our future subordinated debt and equally in right of payment with all of our existing and future unsecured and unsubordinated debt. As of September 30, 2002, we had approximately \$3.2 billion of unsecured and unsubordinated debt that would have ranked equally with the notes. We are a holding company and, therefore, the notes will be effectively subordinated to all existing and future obligations of our subsidiaries. As of September 30, 2002, the long-term debt of our subsidiaries was \$517.3 million.

Certain Covenants

The indenture governing the notes contains covenants that, among other things, will limit our ability to:

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incur, issue or create liens upon our property; and

consolidate with or merge into, or transfer or lease all or substantially all of our assets to, any other party.

These covenants are subject to important exceptions and qualifications that are described under "Description of the Notes -- Merger and Consolidation" and "-- Limitations on Liens."

Interest

7.875% per year on the principal amount payable semi-annually in arrears on February 15 and August 15 of each year, beginning on February 15, 2003.

Optional Redemption

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 (i) 100% of the principal amount thereof and (ii)

the sum of the present values of the remaining scheduled payments of principal and interest on the notes being redeemed discounted to the redemption date at the then current Treasury Rate plus 35 basis points, together with, in either case, any accrued and unpaid interest to the date of redemption as described under "Description of the Notes -- Optional Redemption."

Form and Denomination

The exchange notes will be issued in denominations of \$1,000 and any integral multiple of \$1,000. The exchange notes will be represented by a single, permanent global note in fully-registered form without interest coupons. The global note will be deposited with the trustee as custodian for DTC and registered in the name of a nominee of DTC in New York, New York for the accounts of participants in DTC. Beneficial interests in any of the exchange notes will be shown on, and transfers will be effected only through, records maintained by DTC or its nominee and any such interest may not be exchanged for certificated securities, except in limited circumstances described in this prospectus.

Trading

The exchange notes will not be listed on any securities exchange or included in any automated quotation system. The initial purchasers of the outstanding notes have advised us that they currently intend to make a market in the exchange notes. However, the initial purchasers are not obligated to do so and may discontinue any market-making activity with respect to the exchange notes at any time without notice.

Risk Factors

You should carefully consider all of the information contained or incorporated by reference in this prospectus as well as the specific factors under "Risk Factors" beginning on page 13.

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