TreeHouse Foods, Inc.
Form 424B2
February 26, 2014
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CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Offering Price Per Note	Aggregate Offering Price	Amount of Registration Fee(1)
4.875% Senior Notes due 2022	$400,000,000	100.000%	$400,000,000	$51,520
Guarantees of 4.875% Senior Notes due 2022(2)				

(1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended (the Securities Act), and relates to the registration statement on Form S-3 (File No. 333-192440) filed by the TreeHouse Foods, Inc. and certain subsidiary guarantors.

(2) Pursuant to Rule 457(n) of the Securities Act, no separate fee is payable with respect to guarantees of the debt securities being registered.

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Filed Pursuant to Rule 424(b)(2)
Registration No. 333-192440

PROSPECTUS SUPPLEMENT

(To prospectus dated November 20, 2013)

$400,000,000

TreeHouse Foods, Inc.

4.875% Senior Notes due 2022

We are offering $400,000,000 aggregate principal amount of 4.875% senior notes due 2022. We will pay interest on the notes on March 15 and September 15 of each year, beginning September 15, 2014. The notes will mature on March 15, 2022. We may redeem some or all of the notes at any time on or after March 15, 2017 at the applicable redemption prices described in this prospectus supplement under Description of the Notes Optional Redemption plus accrued and unpaid interest, if any, to the redemption date. In addition, prior to March 15, 2017, we may redeem all or a portion of the notes at a price equal to 100% of the principal amount plus the make-whole premium described in this prospectus supplement plus accrued and unpaid interest, if any, to the redemption date. We may also redeem up to 35% of the notes prior to March 15, 2017 with the net cash proceeds we receive from certain public equity offerings. If a change of control, as described in this prospectus supplement under the heading Description of the Notes Repurchase at the Option of the Holders Offer to Repurchase upon Change of Control, occurs, we may be required to purchase the notes from the holders at a purchase price of 101% of the principal amount plus any accrued and unpaid interest.

All of our existing and future domestic subsidiaries that will be guarantors of our credit facility or certain other indebtedness incurred by us or our restricted subsidiaries will guarantee the notes. The notes and the guarantees will be our and the guarantors senior unsecured obligations and will rank equally with our and the guarantors other existing and future senior indebtedness. The notes and the guarantees will be effectively subordinated to our and the guarantors existing and future secured obligations to the extent of the value of the assets securing those obligations. In addition, the notes will be structurally subordinated to all of the liabilities of our subsidiaries that do not guarantee the notes, to the extent of the value of the assets of those subsidiaries. The notes will be issued only in registered form in minimum denominations of $2,000 and integral multiples of $1,000 above that amount.

The net proceeds of the notes will be used to fund, together with borrowings under our revolving credit facility, the proposed repurchase of all of our outstanding 7.750% senior notes due 2018. This offering of notes is not contingent upon the repurchase of the existing notes.

The notes will not be listed on any securities exchange. Currently, there is no public market for the notes.

Investing in the notes involves risks that are described in the Risk Factors section beginning on page S-16 of this prospectus supplement.

	Per Note	Total
Public offering price(1)	100.000%	$ 400,000,000
Underwriting discount	1.500%	$ 6,000,000
Proceeds, before expenses, to us(1)	98.500%	$ 394,000,000

(1) Plus accrued interest from March 11, 2014, if settlement occurs after that date.

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.

The notes will be ready for delivery in book-entry form only through the facilities of The Depository Trust Company for the accounts of its participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear System, and Clearstream Banking, *société anonyme*, on or about March 11, 2014.

Joint Book Running Managers

BofA Merrill Lynch **J.P. Morgan** **Wells Fargo Securities**

BMO Capital Markets **SunTrust Robinson Humphrey**

Co-Managers

Barclays **KeyBanc Capital Markets**

The date of this prospectus supplement is February 25, 2014.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which contains the terms of this offering of notes. The second part, the accompanying prospectus dated November 20, 2013, which is part of our Registration Statement on Form S-3, gives more general information, some of which may not apply to this offering.

This prospectus supplement and the information incorporated by reference in this prospectus supplement may add, update or change information contained in the accompanying prospectus. If there is any inconsistency between the information in this prospectus supplement and the information contained in the accompanying prospectus, the information in this prospectus supplement will apply and will supersede the information in the accompanying prospectus.

It is important for you to read and consider all information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information in the documents to which we have referred you in Where You Can Find More Information in the accompanying prospectus and Incorporation by Reference in this prospectus supplement.

You should rely only on the information contained in or incorporated by reference into this prospectus supplement or the accompanying prospectus, and in other offering material, if any, or information contained in documents which you are referred to by this prospectus supplement or the accompanying prospectus. We have not authorized anyone to provide you with different information. This prospectus supplement and the accompanying prospectus do not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities described in this prospectus supplement or an offer to sell or the solicitation of an offer to buy such securities in any circumstances in which such offer or solicitation is unlawful. See Underwriting. The information contained in or incorporated by reference into this prospectus supplement or the accompanying prospectus or other offering material is accurate only as of the date of those documents or information, regardless of the time of delivery of the documents or information or the time of any sale of the securities.

The distribution of this prospectus supplement and the accompanying prospectus and the offering of the notes in certain jurisdictions may be restricted by law. This prospectus supplement and the accompanying prospectus do not constitute an offer, or an invitation on our behalf or the underwriters, to subscribe to or purchase any of the notes, and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. See Underwriting.

Unless otherwise stated or the context otherwise requires, as used in this prospectus supplement, references to TreeHouse, the Company, us, we or our mean TreeHouse Foods, Inc. and its consolidated subsidiaries. When we to you in this prospectus supplement, we mean all purchasers of notes being offered by this prospectus supplement and the accompanying prospectus, whether they are the holders or only indirect owners of those securities.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain statements and information in this prospectus supplement may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended (the Securities Act) and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act Act). The words believe, estimate , project , expect, anticipate, plan, intend, foresee, should, would similar expressions are intended to identify forward-looking statements, which are generally not historical in nature. These forward-looking statements are based on our current expectations and beliefs concerning future developments

and their potential effect on us.

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These forward-looking statements and other information are based on our beliefs as well as assumptions made by us using information currently available. Such statements reflect our current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected or intended. We are making investors aware that such forward-looking statements, because they relate to future events, are by their very nature subject to many important factors that could cause actual results to differ materially from those contemplated. Such factors include, but are not limited to, the outcome of litigation and regulatory proceedings to which we may be a party; the impact of product recalls; increased competition in our industry and actions of our competitors; changes and developments affecting our industry; quarterly or cyclical variations in financial results; our ability to obtain suitable pricing for our products; development of new products and services; our level of indebtedness; the availability of financing on commercially reasonable terms; cost of borrowing; our ability to maintain and improve cost efficiency of operations; changes in foreign currency exchange rates, interest rates, raw material, and commodity costs; changes in economic, political, and weather conditions and other factors beyond our control; reliance on third parties for manufacturing of products and provision of services; general U.S. and global economic conditions and disruptions in the financial markets and; the financial condition of our customers and suppliers and our ability to retain our customers; consolidations in the retail grocery and foodservice industries; our ability to continue to make acquisitions in accordance with our business strategy or effectively manage the growth from acquisitions; changes in consumer preferences; changes in laws and regulations applicable to us; disruptions in or failures of our information technology systems; disruption of our supply chain or distribution capabilities; and labor strikes or work stoppages and other risks that are described under the heading Risk Factors in this prospectus supplement and our other reports filed from time to time with the Securities and Exchange Commission (the SEC).

Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise.

MARKET AND INDUSTRY DATA

Certain market data contained in or incorporated by reference in this prospectus supplement or the accompanying prospectus are based on independent industry publications and reports by market research firms. Although we believe these sources are reliable, we have not independently verified the information and cannot guarantee its accuracy and completeness. Some data are also based on our good faith estimates, which are derived from our review of internal surveys, as well as the independent sources referred to above.

NON-GAAP FINANCIAL MEASURES

We have included the financial measures of adjusted EBITDA and free cash flow in this prospectus supplement, which are non-GAAP financial measures as defined under the rules of the SEC. Adjusted EBITDA represents net income before interest expense, income tax expense, depreciation and amortization expense, non-cash stock based compensation and unusual items. Free cash flow represents cash flows from operating activities less capital expenditures.

Adjusted EBITDA and free cash flow are not required by, or presented in accordance with, generally accepted accounting principles in the United States (GAAP). Adjusted EBITDA is a performance measure that is used by our management, and we believe is commonly reported and widely used by investors and other interested parties to evaluate a company s operating performance.

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Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

Adjusted EBITDA does not reflect, among other things:

- our cash expenditures or future requirements for capital expenditures or contractual commitments;
- changes in, or cash requirements for, our working capital needs;
- the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debt; and
- any cash income taxes that we have been or may be required to pay;

Assets are depreciated or amortized over estimated useful lives and often have to be replaced in the future, and adjusted EBITDA does not reflect any cash requirements for such replacements;

Adjusted EBITDA does not adjust for all non-cash income or expense items that are reflected in our statements of cash flows; and

Adjusted EBITDA does not reflect limitations on, or costs related to, transferring earnings from our subsidiaries to us and the guarantors.

Because of these limitations, adjusted EBITDA should not be considered as a measure of discretionary cash available to us to invest in the operation and growth of our business or as a measure of cash that will be available to us to meet our obligations. You should compensate for these limitations by relying primarily on our GAAP results and using adjusted EBITDA as a supplement.

In evaluating adjusted EBITDA, you should be aware that in the future we may incur expenses similar to those for which adjustments are made in calculating adjusted EBITDA. Our presentation of adjusted EBITDA should not be construed as a basis to infer that our future results will be unaffected by unusual or non-recurring items. Adjusted EBITDA does not reflect the impact of earnings or charges resulting from certain matters we consider to be indicative of our ability to service our debt over the period such debt is expected to remain outstanding.

Free cash flow is not required by, or presented in accordance with, GAAP. Our management believes that free cash flow provides useful additional information concerning cash flow available to meet future debt service and other payment obligations, satisfy working capital requirements and make strategic investments. Readers should be aware that free cash flow does not represent residual cash flow available for discretionary expenditures.

The non-GAAP measure of adjusted EBITDA used in this prospectus supplement may be different from similar measures used by other companies, limiting their usefulness as comparable measures. This non-GAAP financial measure should not be considered as an alternative to net income or cash flows from operating activities as an indicator of operating performance or liquidity.

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See footnote (3) to the summary historical financial information under Prospectus Supplement Summary Summary Historical Financial Information for a description of the calculation of adjusted EBITDA and an unaudited reconciliation of adjusted EBITDA to net income. See footnote (4) to the summary historical financial information under Prospectus Supplement Summary Summary Historical Financial Information for a description of the calculation of free cash flow and an unaudited reconciliation of free cash flow to cash flow from operating activities.

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PROSPECTUS SUPPLEMENT SUMMARY

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

Our Company

We are a leading manufacturer of private label food products in the United States and Canada. Our products are focused in center-of-store, shelf stable food categories. We believe we are the largest manufacturer of private label salad dressings, powdered drink mixes, and instant hot cereals in the United States and Canada and the largest manufacturer of non-dairy powdered creamer and pickles in the United States, based upon total sales volumes. Our business is organized into three reportable segments, including North American Retail Grocery, Food Away from Home, and Industrial and Export, which supply our products primarily into the grocery retail, foodservice and industrial food channels. We currently supply more than 250 food retail customers in North America, including 49 of the 50 largest food retailers, and more than 500 foodservice customers, including the 200 largest food distributors and 53 of the 100 largest restaurant chains.

TreeHouse Foods, Inc. was created from Dean Foods spin-off of certain of its specialty businesses to its shareholders. Since we began operating as an independent entity in June 2005, we have significantly expanded our product offerings in center-of-store, shelf stable food categories by completing eight strategic acquisitions. During 2013, we generated net sales of $2,294 million, adjusted EBITDA of $323 million and free cash flow of $142 million.

Products

The following table presents the Company s net sales by major products:

	Year Ended December 31,					
	2013		2012		2011	
	(Dollars in thousands)					
Products:						
Beverage enhancers	$ 361,290	15.7%	$ 362,238	16.6%	$ 359,860	17.6%
Beverages	341,547	14.9	234,430	10.8	219,932	10.7
Salad dressings	334,577	14.6	284,027	13.0	220,359	10.7
Pickles	297,904	13.0	308,228	14.1	300,414	14.7
Mexican and other sauces	245,171	10.7	232,025	10.6	195,233	9.5
Soup and infant feeding	219,404	9.6	281,827	12.9	299,042	14.6
Cereals	169,843	7.4	162,952	7.5	150,364	7.3
Dry dinners	124,075	5.4	126,804	5.8	115,627	5.6
Aseptic products	96,136	4.2	91,585	4.2	92,981	4.5
Jams	57,330	2.5	61,436	2.8	64,686	3.2
Other products	46,650	2.0	36,573	1.7	31,487	1.6

Total net sales	$ 2,293,927	100.0%	$ 2,182,125	100.0%	$ 2,049,985	100.0%

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TreeHouse Categories

Beverage Enhancers. Beverage enhancers includes non-dairy powdered creamer, refrigerated liquid non-dairy creamer and sweeteners. Non-dairy powdered creamer is used as coffee creamer or whitener and as an ingredient in baking, hot and cold beverages, gravy mixes and similar products. Product offerings in this category include both private label and branded products packaged for grocery retailers, foodservice products for use in coffee and beverage service, and other industrial applications, such as portion control, repackaging and ingredient use by other food manufacturers. We believe we are the largest manufacturer of non-dairy powdered creamer in the United States, based on volume. For the twelve months ended December 31, 2013, beverage enhancers represented approximately 15.7% of our consolidated net sales.

Beverages. We produce a variety of powdered drink mixes, including lemonade, iced tea, energy, vitamin enhanced, and isotonic sports drinks. Also included in this category are our single serve beverages, which include our single serve hot beverages, such as cappuccino, cider, hot cocoa, and filtered coffee. In 2013, as a result of the Associated Brands acquisition (as described under the subheadings Competitive Strengths Successful Track Record of Acquiring and Integrating Businesses and Strategy Growth Through Acquisitions), we also added specialty teas to our beverages offerings. These products are sold primarily to grocery retailers. We believe we are the largest manufacturer of private label powdered drink mixes in both the United States and Canada, based on volume. For the twelve months ended December 31, 2013, beverages represented approximately 14.9% of our consolidated net sales.

Salad Dressings. We produce pourable and spoonable, refrigerated and shelf stable salad dressings. Our salad dressings are sold primarily to grocery retailers throughout the United States and Canada, and encompass many flavor varieties. We believe we are the largest manufacturer of private label salad dressings in both the United States and Canada, based on volume. For the twelve months ended December 31, 2013, salad dressings represented approximately 14.6% of our consolidated net sales.

Pickles. We produce pickles and a variety of related products, including peppers and pickled vegetables. We produce private label and regional branded offerings in the pickles category. These products are sold to grocery retailers, foodservice and industrial customers. We believe we are the largest producer of pickles in the United States, based on volume. For the twelve months ended December 31, 2013, pickles and related products represented approximately 13.0% of our consolidated net sales.

Mexican and Other Sauces. We produce a wide variety of Mexican and other sauces, including salsa, picante sauce, cheese dip, enchilada sauce, pasta sauces and taco sauce that we sell to grocery retailers and foodservice customers in the United States and Canada, as well as to industrial markets. For the twelve months ended December 31, 2013, Mexican and other sauces represented approximately 10.7% of our consolidated net sales.

Soup and Infant Feeding. Condensed, ready to serve, and powdered soup, as well as broth and gravy, are produced and packaged in various sizes, from single serve to larger sized packages. We primarily produce private label products sold to grocery retailers. In late 2012, we experienced a partial loss of soup business from a customer. Due to timing, this loss had minimal impact on sales in 2012, but had a much larger impact in 2013. See the Executive Overview section of Management s Discussion and Analysis of Financial Condition and Results of Operations section in our in our Annual Report on Form 10-K for the year ended December 31, 2013 for more information regarding the impact of this loss. We co-pack organic infant feeding products for a branded baby food company in the Industrial and Export segment. For the twelve months ended December 31, 2013, soup and infant feeding sales represented approximately 9.6% of our consolidated net sales, with the majority of the sales coming from soup sold through the retail channel.

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Cereals. We produce a variety of cold, instant, and cook-on-stove hot cereals, including oatmeal, farina and grits in single-serve instant packets and microwaveable bowls. These products are sold primarily to grocery retailers. We believe we are the largest manufacturer of private label instant hot cereals in both the United States and Canada, based on volume. For the twelve months ended December 31, 2013, cereals represented approximately 7.4% of our consolidated net sales.

Dry Dinners. We produce private label macaroni and cheese, skillet dinners and other value-added side dishes. These products are sold to grocery retailers. For the twelve months ended December 31, 2013, dry dinners represented approximately 5.4% of our consolidated net sales.

Aseptic Products. We produce aseptic products, which include cheese sauces and puddings. Aseptic products are processed under heat and pressure in a sterile production and packaging environment, creating a product that does not require refrigeration prior to use. These products are sold primarily to foodservice customers in cans and flexible packages. For the twelve months ended December 31, 2013, aseptic products represented approximately 4.2% of our consolidated net sales.

Jams. We produce jams and pie fillings that are sold to grocery retailers and foodservice customers in the United States and Canada. For the twelve months ended December 31, 2013, jams represented approximately 2.5% of our consolidated net sales.

Industry Overview

The U.S. food total outlet retail market is estimated at close to $625 billion in annual sales, of which private label food represents approximately $112 billion. According to independent market research studies, private label food products have increased their market share in the United States from approximately 11.6% in 1988 to approximately 16.5% in 2013. We believe that product and packaging improvements, along with greater focus by retailers, have fundamentally changed private label from inexpensive, generic brand imitators to store-branded national brand equivalents offering value and product quality that often meet or exceed that of branded competitors. Despite gains in market share, private label penetration across packaged food sectors in the United States remained below that of many developed economies, including France (24%), Spain (35%), Germany (34%), The United Kingdom (35%) and Switzerland (44%) (market research estimates based on 2013 data).

We expect the convergence of several factors to support the continued growth of private label food product sales in the United States, including:

- Greater focus by grocery retailers in developing their private label food product programs as the store becomes the brand;
- The emergence of private label food products with reputations for quality and value that meet or exceed national brands; and
- Fundamental changes in consumer behavior that favor the secular growth trends in private label food products.

Given the highly competitive nature of the U.S. food retailing industry, we believe that most grocery retailers are seeking to expand their private label food product programs as a means to differentiate themselves from competitors, build customer loyalty and enhance margins and profitability. As the breadth and quality of a particular grocery retailer s private label offering factors more prominently in consumers store selection criteria, we believe that a well developed, high quality private label food product offering can be an effective marketing tool for retailers to further their brand image, drive customer traffic to their stores and enhance shopper loyalty. In addition to the inherent marketing benefits, private label food products generally offer retailers higher gross

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margins and profits than branded equivalents. Consequently, many grocery retailers have announced targets for expanding their share of private label food product sales, over the next several years, to drive greater productivity from their store base.

According to industry data, private label products accounted for over 25% of all new product introductions in the U.S. packaged food industry during 2012. This is an increase of 10% when compared to the number of private label product launches in 2008. In the same time period, branded product launches have declined approximately 15%. We believe this increase in private label product launches is a direct response to consumer desire for high quality food products that offer compelling value. As private label has grown, many offerings have developed reputations for value and high product quality that often meet or exceed those of branded competitors. According to multiple consumer surveys, the majority of consumers who have tried private label food products during the economic downturn reported that they will not return to purchasing branded products when the economy improves. We believe many of these consumers will retain their loyalty to private label food products based on the product quality and value proposition associated with these products.

Consumers across all income groups continue to accept and seek out private label offerings, with offerings at the premium product and value product ends of the spectrum growing at a greater pace than standard products. Accordingly, the private label market is expanding in both the better-for-you, as well as the convenience segments of the market.

The private label food manufacturing base is highly fragmented. In retail grocery, we believe the top seven private label manufacturers represent less than 25% of category sales. As a result, a typical grocery retailer relies upon hundreds of private label food suppliers. We believe the highly fragmented private label manufacturing base will continue to consolidate as retailers seek out suppliers who can offer value-added capabilities like innovation and category management along with the ability to supply multiple private label products on a national basis.

Competitive Strengths

We believe the following competitive strengths differentiate us from our competitors and contribute to our continued success:

Leading Private Label Market Shares in Attractive Categories. We are a leading private label manufacturer of a broad range of center-of-store, shelf stable food products. We have the leading share of private label food product sales in eight of our nine core product categories, namely powdered non-dairy creamer, sugar free powdered drinks, single serve coffee, salad dressings, soups, pickles, hot cereal and dry dinners. Additionally, we are the second largest private label supplier of jams and jellies and Mexican sauces. Our leading market share positions are supported by low cost manufacturing, research and development capabilities, product and packaging innovation and logistical and category management capabilities, which allow us to provide an enhanced level of service to our retail customers.

We believe that we participate in attractive product categories. Private label food product offerings in our product categories represent 10% or more of total sales in our core categories. Sales of private label food products in our eight largest product categories have consistently increased their share of category sales, mirroring the secular trend of increasing private label market share in U.S. grocery. According to market research reports, private label market growth rates have exceeded their respective categories in total for the period from 2003 to 2012.

Scale and Innovation. As one of the largest private label food product manufacturers in the United States and Canada, we believe that our scale enables us to be more efficient and effective in servicing our customers. As grocery retailers develop their private label food programs, we believe they will seek out suppliers

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that can provide strategic insight, product innovation, customer service, logistics and economies of scale throughout North America. We believe our category leadership, breadth of product offering and differentiated capabilities put us in position to be their supplier of choice.

We sell our products to a diverse customer base, including most of the leading grocery retailers and foodservice operators in the United States and Canada, and also a variety of customers that purchase bulk products for industrial food applications. We currently supply more than 250 food retail customers in North America, including 49 of the 50 largest food retailers, and more than 500 foodservice customers, including the 200 largest food distributors and 53 of the 100 largest restaurant chains. A relatively limited number of customers account for a large percentage of our consolidated net sales. For the year ended December 31, 2013, our ten largest customers accounted for approximately 52.7% of our consolidated net sales. For the years ended December 31, 2013, 2012 and 2011, our largest customer, Wal-Mart Stores, Inc. and its affiliates, accounted for approximately 19.0%, 20.7% and 19.1%, respectively, of our consolidated net sales. No other customer accounted for 10% or more of the Company s consolidated net sales. Total trade receivables with Wal-Mart Stores, Inc. and affiliates represented 24.8% and 30.1% of our total trade receivables as of December 31, 2013 and 2012, respectively.

Well-Defined Portfolio Strategy. Our management team has been successful in using economic value added, or EVA, analysis in the private label food products industry for several years. Applying EVA analyses across our product portfolio allows us to evaluate our prospects for profitable growth systematically and direct our resources to the products and categories that we believe offer the greatest potential. EVA analysis also identifies products and categories that lag behind the broader portfolio, focusing management s attention on the areas within our portfolio that must be operated more efficiently. We update our EVA analyses on a quarterly basis and develop and implement operating strategies based on the results. Many of the operating enhancements we have achieved can be directly associated with our EVA efforts, including improving the returns in our pickle business and accelerating the growth of our salad dressing business.

Successful Track Record of Acquiring and Integrating Businesses. Since we began operating as an independent entity in 2005, we have completed several strategic acquisitions, including Del Monte Corporation s private label soup and infant feeding business in April 2006, VDW Acquisition, Ltd, a manufacturer of Mexican sauces, in May 2007, E.D. Smith Income Fund, a manufacturer of salad dressings, jams and sauces, in October 2007, Sturm Foods, Inc. (Sturm), a manufacturer of hot cereals and powdered drink mixes, in March 2010, S.T. Specialty Foods, Inc. (S.T. Foods), a manufacturer of dry dinners, in October 2010, Naturally Fresh, Inc. (Naturally Fresh), a manufacturer of refrigerated dressings, sauces, marinades, dips and other specialty items, in April 2012, Cains Foods, L.P. (Cains), a manufacturer of shelf stable mayonnaise, dressings and sauces, in July 2013 and Associated Brands Management Holdings Inc., Associated Brands Holdings Limited Partnership, Associated Brands GP Corporation and 6726607 Canada Ltd. (collectively, Associated Brands), a manufacturer of powdered drinks, specialty teas and sweeteners, in October 2013. As a result of these efforts, we have expanded well beyond our original product base of pickles and non-dairy powdered creamer, adding eight additional complementary center-of-store, shelf stable food categories. We have a well-defined strategy for identifying, evaluating and integrating acquisitions that we believe differentiates us from many of our competitors. We believe that our proven acquisition capabilities will allow us to participate successfully in the ongoing consolidation trend among private label food product manufacturers.

Strong Financial Performance and Significant Cash Flow Generation. We have grown our net sales from $708 million in 2005 to $2,294 million in 2013, representing a compounded annual growth rate, or CAGR, of 15.8%. Net income has increased from $12 million in 2005 to $87 million in 2013. Over this period, net income as a percentage of net sales increased 210 basis points. We have also grown our adjusted EBITDA from $300 million in 2011 to $323 million in 2013, representing a CAGR of 3.8%. We have generated strong, consistent cash flows. In 2013, we generated cash flows from operating activities of $217 million. In addition, we have increased our free cash

flow from $88 million in 2011 to $142 million in 2013.

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Strong Management Team. The members of our senior management team have an average of 28 years of packaged food industry experience and have worked on several successful ventures throughout their careers. Our senior management team has demonstrated its ability to grow our business, increasing our net sales from $708 million in 2005 to $2,294 million in 2013 and our adjusted EBITDA from $300 million in 2011 to $323 million in 2013. These results have been achieved through a combination of organic growth, EVA-driven portfolio optimization efforts and several complementary acquisitions.

Strategy

We intend to grow our business profitably through the following strategic initiatives:

Expand Partnerships with Retailers. As grocery retailers become more demanding of their private label food product suppliers, they have come to expect strategic insight, product innovation, customer service and logistical economies of scale similar to those of our branded competitors. To this end, we are continually developing, investing in, and expanding our private label food product offerings and capabilities in these areas. In addition to our low cost manufacturing, we have invested in research and development, product and packaging innovation, category management, information technology systems, and other capabilities. We believe that these investments enable us to provide a broad and growing array of private label food products that generally meet or exceed the value and quality of branded competitors that have comparable sales, marketing, innovation, and category management support. We believe that we are well positioned to expand our market share with grocery retailers given our differentiated capabilities, breadth of product offerings, and geographic reach.

Utilize Our Scale and Innovation to Meet Customer Needs. The U.S. retail food industry has continued to bifurcate from traditional food retailers (those who carry a full array of refrigerated, frozen, and shelf stable products) to specialty retailers who cater to consumers who migrate to either end of the value spectrum. These specialty retailers tend to focus on either value offerings for consumers looking for the maximum value of their food purchases, or catering to consumers looking for the highest quality ingredients, unique packaging, or products to satisfy particular dietary needs. We offer a broad array of innovative products that we believe meet the good, better, and best needs of both traditional grocers and specialty retailers.

Drive Growth and Profitability from our Existing Product Portfolio. We believe we can drive organic growth from our existing product portfolio. Through insights gained from our EVA analyses, we develop operating strategies that enable us to focus our resources and investments on products and categories that we believe offer the highest potential. Additionally, EVA analyses identify products and categories that lag the broader portfolio and require corrective action. We believe EVA analysis is a helpful tool that maximizes the full potential of our product offerings.

Leverage Cross-Selling Opportunities Across Customers, Sales Channels and Geographies. While we have high private label food product market shares in the United States for our non-dairy powdered creamer, soup, salad dressing, powdered drinks, instant hot cereals, and pickles, as well as a significant branded and private label food product market share in jams in Canada, we believe we still have significant potential for growth with grocery retailers and foodservice distributors that we either currently serve in a limited manner, or do not currently serve. We believe that certain customers view our size and scale as an advantage over smaller private label food product producers, many of whom provide only a single category or service to a single customer or geography. Our ability to service customers across North America and across a wider spectrum of products and capabilities provides many opportunities for cross-selling to customers who seek to reduce the number of private label food product suppliers they utilize.

Growth Through Acquisitions. We believe we have the expertise and demonstrated ability to identify and integrate value-enhancing acquisitions. We selectively pursue acquisitions of complementary businesses that we believe are a compelling strategic fit with our existing operations. Each potential acquisition is evaluated for

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merit utilizing a rigorous analysis that assesses targets for their market attractiveness, intrinsic value, and strategic fit. We believe our acquisitions have been successful and consistent with our strategy. Since we began operating as an independent company in 2005, our acquisitions have significantly added to our revenue base, enhanced margins, and allowed us to expand from an initial base of two center-of-store, shelf stable food categories to more than ten. We attempt to maintain conservative financial policies when pursuing acquisitions and we believe that our proven integration strategies have resulted in rapid deleveraging. By identifying targets that fit within our defined strategies, we believe we can continue to expand our product selection and continue our efforts to be the low-cost, high quality and innovative supplier of private label food products for our customers. The merger and acquisition market showed increased activity in 2013 compared to prior years as economic conditions began to improve. During 2013, we completed the acquisitions of Cains for approximately $35 million and Associated Brands for approximately CAD $187 million.

Tender Offer and Consent Solicitation

On February 25, 2014, we commenced a tender offer (the Tender Offer) for any and all of the $400.0 million outstanding aggregate principal amount of our 7.750% senior notes due 2018 (the 2018 Notes). In conjunction with the Tender Offer, we are also soliciting from holders of the 2018 Notes (the Consent Solicitation) consents to proposed amendments to the indenture governing the 2018 Notes (Consent or Consents), which would eliminate most of the covenants and certain events of default applicable to the 2018 Notes. Adoption of the proposed amendments requires the consent of the holders of a majority in aggregate principal amount of the outstanding 2018 Notes, excluding for such purpose any 2018 Notes owned by us or any of our affiliates. Each tendering holder of the 2018 Notes will also be deemed to have consented to the proposed amendments. This offering is not conditioned upon our completion of the Tender Offer and Consent Solicitation.

Pursuant to the Tender Offer and Consent Solicitation, holders who validly tender their 2018 Notes prior to 5:00 p.m., New York City time, on March 10, 2014 (as such time and date may be extended, the Consent Expiration) will receive $1,042.75 per $1,000 principal amount of the 2018 Notes accepted for purchase (which amount includes a Consent Payment of $30.00 for each $1,000 principal amount of the 2018 Notes). Holders who validly tender their 2018 Notes after the Consent Expiration but prior to the expiration of the Tender Offer will be entitled to receive $1,012.75 per $1,000 principal amount of the 2018 Notes accepted for purchase. The Tender Offer is scheduled to expire at 11:59 p.m., New York City time, on March 24, 2014 and is subject to the satisfaction or waiver of certain conditions, including our receiving at least $380 million in net proceeds from this offering. Provided that the conditions to the Tender Offer have been satisfied or waived, we will pay for the 2018 Notes accepted for purchase in the Tender Offer, together with any accrued and unpaid interest thereon, on either the initial settlement date or the final settlement date, as applicable. The initial settlement date is expected to occur on or about the closing date of this offering. The final settlement date is expected to occur on the next business day after the expiration of the Tender Offer.

We intend to use the net proceeds from this offering, together with borrowings under our revolving credit facility, to fund the purchase of the 2018 Notes. In the event that all of the 2018 Notes are not acquired in the Tender Offer, we intend (but are not obligated) to redeem any 2018 Notes that remain outstanding, although the timing of any such redemption is within our discretion. Currently, the 2018 Notes are redeemable only on a make-whole basis. The 2018 Notes are callable beginning March 1, 2014, subject to the call premium provided in the indenture.

This prospectus supplement is not an offer to purchase or a solicitation of consents with respect to the 2018 Notes, nor is it a notice of redemption under the optional redemption provisions of the indenture governing the 2018 Notes. The Tender Offer and Consent Solicitation is made only by and pursuant to the terms of an Offer to Purchase and Consent Solicitation Statement, including the related Consent and Letter of Transmittal, each dated February 25, 2014, as the same may be amended or supplemented.

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Refinancing

Subject to market and other conditions, we intend to refinance our revolving credit facility to provide for additional borrowing capacity in 2014 (the Refinancing) and have initiated discussions with banks regarding the potential Refinancing. Any additional borrowing capacity likely will be utilized to finance acquisitions and for other general corporate purposes. There are no assurances, however, that the Refinancing will be completed on commercially reasonable terms or at all.

Corporate Information

We are a Delaware corporation incorporated on January 25, 2005. Our principal executive offices are located at 2021 Spring Road, Suite 600, Oak Brook, Illinois 60523. Our telephone number is 708-483-1300. Our website address is www.treehousefoods.com. The information on or accessible through our website is not part of this prospectus supplement or the accompanying prospectus and should not be relied upon in connection with making any investment decision with respect to the securities offered by this prospectus supplement.

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The Offering

The summary below describes the principal terms of the notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. For a more detailed description of the terms and conditions of the notes, see the section entitled Description of the Notes. As used in this section, references to the Company mean TreeHouse Foods, Inc. and not any of its subsidiaries.

Issuer	TreeHouse Foods, Inc.
Notes Offered	$400 million aggregate principal amount of 4.875% senior unsecured notes due 2022, which we refer to in this prospectus supplement as the notes.
Maturity	The notes will mature on March 15, 2022.
Interest	4.875% per year.
Interest Payment Dates	Interest is payable semi-annually in arrears on March 15 and September 15 each year, commencing September 15, 2014.
Guarantees	The payment of principal, premium, if any, and interest on the notes will be fully and unconditionally guaranteed on a senior unsecured basis by all of our existing and future domestic subsidiaries that will be guarantors of our credit facility or certain other indebtedness incurred by us or our restricted subsidiaries, currently consisting of Bay Valley Foods, LLC (Bay Valley), EDS Holdings, LLC (EDS), Sturm and S.T. Foods. The subsidiary guarantors will represent substantially all the revenue, income and assets of our domestic subsidiaries.
Ranking	The notes will be senior unsecured obligations of the Company and will rank senior in right of payment to any of the Company s existing and future debt that is expressly subordinated in right of payment to the notes. The notes will rank equal in right of payment with all of the Company s existing and future senior debt, including our Credit Facility and our outstanding 7.750% senior notes due 2018, or the 2018 Notes, and will be effectively subordinated to the Company s secured debt to the extent of the value of the assets securing that debt. The notes will also be structurally subordinated to all of the liabilities of any of our subsidiaries that do not guarantee the notes to the extent of the value of the assets of those subsidiaries.

The guarantees will be general unsecured obligations of the guarantors and will rank senior in right of payment to any of their existing and future debt that is expressly subordinated in right of payment to the guarantees. The guarantees will rank equal in right of payment with all existing and future debt of such guarantors that are not so subordinated and will be effectively subordinated to the guarantors secured debt to the extent of the value of the assets securing that debt. The guarantees will also be structurally subordinated to all of the liabilities of any of our subsidiaries that do not guarantee the notes to the extent of the value of the assets of those subsidiaries.

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	As of December 31, 2013, after giving effect to this offering and the use of proceeds therefrom, the Company and the guarantors would have had total unsecured debt of approximately $961.1 million, primarily consisting of $400.0 million notes offered pursuant to this prospectus supplement, $559.3 million of debt under our credit facility, and approximately $179.9 million of additional unsecured debt (after giving effect to $10.8 million of letters of credit) would have been available to be borrowed under our credit facility. As of December 31, 2013, the Company and the guarantors had $3.3 million of secured debt. The subsidiaries of the Company that are not guarantors had total debt of approximately $0.4 million as of December 31, 2013, held approximately 11.9% of our total assets as of December 31, 2013 and generated approximately 16.5% of our total revenues for the fiscal year ended December 31, 2013. See note 23 to our consolidated financial statements incorporated by reference in this prospectus supplement and the accompanying prospectus.
Optional Redemption	At any time on or after March 15, 2017, we may redeem the notes, in whole or in part, at the redemption prices listed in Description of the Notes Optional Redemption, plus accrued and unpaid interest to the applicable redemption date. At any time prior to March 15, 2017, we may redeem up to 35% of the aggregate principal amount of the notes with the net cash proceeds from certain public equity offerings at the redemption price described in Description of the Notes Optional Redemption, plus accrued and unpaid interest, if any, to the applicable redemption date. In addition, at any time prior to March 15, 2017, we may redeem the notes, in whole or in part, upon not less than 30 nor more than 60 days notice, at a redemption price equal to 100% of the principal amount thereof plus a make-whole premium, plus accrued and unpaid interest, if any, to the redemption date.
Repurchase at the Option of the Holders upon Change of Control Repurchase Event	If we experience a Change of Control (as defined in this prospectus supplement), each holder of notes may require us, subject to certain conditions, to offer to purchase all or a part of the notes at a purchase price equal to 101% of their principal amount, plus any accrued and unpaid interest. See Description of the Notes Repurchase at the Option of the Holders Offer to Repurchase upon Change of Control.
Certain Covenants	The indenture governing the notes, as supplemented and amended by a supplemental indenture, which we collectively refer to as the indenture, will, among other things, restrict our ability and the ability of our restricted subsidiaries, with certain exceptions, to among other things:
	incur additional indebtedness and issue certain preferred shares;

make certain distributions, investments and other restricted payments;

sell certain assets;

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	agree to restrictions on the ability of restricted subsidiaries to make payments to us; create liens and enter into sale-leaseback transactions; merge, consolidate or sell substantially all of our assets; and enter into certain transactions with affiliates. These covenants are subject to important exceptions and qualifications described under the heading Description of the Notes Certain Covenants.
Use of Proceeds	We estimate that the net proceeds from this offering will be approximately $392.8 million after deducting underwriting discounts and our estimated expenses related to the offering. We intend to use the net proceeds to fund, together with borrowings under our revolving credit facility, the proposed repurchase of all of our outstanding 2018 Notes. This offering of notes is not contingent upon the repurchase of the 2018 Notes. There is no assurance that the Tender Offer will be subscribed for in any amount. In the event that all of the 2018 Notes are not acquired in the Tender Offer, we intend (but are not obligated) to redeem any 2018 Notes that remain outstanding, although the timing of any such redemption is within our discretion. See Use of Proceeds.
No Public Market	The notes are a series of securities for which there is currently no established trading market. The underwriters have advised us that they presently intend to make a market in the notes. However, you should be aware that they are not obligated to make a market and may discontinue their market-making activities at any time without notice. As a result, a liquid market for the notes may not be available if you try to sell your notes. We do not intend to apply for a listing of the notes on any securities exchange or any automated dealer quotation system.
Form	The notes will be represented by registered global securities registered in the name of the nominee of the depositary, The Depository Trust Company. Beneficial interests in the notes will be shown on, and transfers will be effected through, records maintained by The Depository Trust Company and its participants. Clearstream Banking, société anonyme and Euroclear Bank, S.A./N.V., as operator of the Euroclear System, will hold interests on behalf of their participants through their respective U.S. depositaries, which in turn will hold such interests in

accounts as participants of DTC. Except in the limited circumstances described in this prospectus supplement, owners of beneficial interests in the notes will not be entitled to have notes registered in their names, will not receive or be entitled to receive notes in definitive form and will not be considered holders of notes under the indenture. The notes will be issued only in minimum denominations of $2,000 and integral multiples of $1,000 above that amount.

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Risk Factors	Investing in the notes involves risks. See the Risk Factors section beginning on page S-16 of this prospectus supplement for important information regarding us and an investment in the notes.
Trustee	Wells Fargo Bank, National Association.
Governing Law	New York.

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Summary Historical Financial Information

The following summary historical financial information as of and for each of the three years in the period ended December 31, 2013 has been derived from our audited consolidated financial statements and related notes. You should read this table in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the year ended December 31, 2013 and our consolidated financial statements and the notes thereto incorporated by reference in this prospectus supplement and the accompanying prospectus. See also Where You Can Find More Information in the accompanying prospectus and Incorporation by Reference in this prospectus supplement for details regarding documents incorporated by reference herein. The summary historical financial information provided below does not purport to indicate results of operations as of any future date or for any future period.

	Year Ended December 31,		
	2013(2)	2012(1)	2011
	(In thousands, except per share data)		
Operating data:			
Net sales	$ 2,293,927	$ 2,182,125	$ 2,049,985
Cost of sales	1,818,378	1,728,215	1,576,688
Gross profit	475,549	453,910	473,297
Operating costs and expenses:			
Selling and distribution	134,998	136,779	142,341
General and administrative	121,065	102,973	101,817
Amortization expense	35,375	33,546	34,402
Other operating (income) expense, net	5,947	3,785	6,462
Total operating expenses	297,385	277,083	285,022
Operating income	178,164	176,827	188,275
Other (income) expense:			
Interest expense	49,304	51,609	53,071
Interest income	(2,185)	(643)	(48)
Loss (gain) on foreign currency exchange	2,890	358	(3,510)
Other (income) expense, net	3,245	1,294	(1,036)
Total other expense	53,254	52,618	48,477
Income from continuing operations, before income taxes	124,910	124,209	139,798
Income taxes	37,922	35,846	45,391
Net income	$ 86,988	$ 88,363	$ 94,407
Net earnings per basic share	$ 2.39	$ 2.44	$ 2.64
Net earnings per diluted share	$ 2.33	$ 2.38	$ 2.56
Weighted average common shares:			
Basic	36,418	36,155	35,805

Diluted	37,396	37,118	36,950
Other data:			
Net Cash provided by (used in):			
Operating activities	$ 216,690	$ 204,559	$ 156,071
Investing activities	(306,850)	(109,362)	(74,302)
Financing activities	45,718	(5,965)	(83,540)
Depreciation and amortization	108,642	98,215	83,018
Capital expenditures	(74,780)	(70,277)	(68,523)
Adjusted EBITDA(3)	323,412	296,745	300,042
Free Cash Flow(4)	141,910	134,282	87,548

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	Year Ended December 31,		
	2013(2)	2012(1)	2011
	(In thousands, except per share data)		
Balance sheet data (at end of period):			
Total assets	$ 2,721,054	$ 2,525,873	$ 2,404,529
Long-term debt	938,945	898,100	902,929
Other long-term liabilities	40,058	49,027	54,346
Deferred income taxes	228,569	212,461	202,258
Total stockholders equity	1,273,118	1,179,255	1,073,517

(1) We acquired Naturally Fresh in 2012.

(2) We acquired Cains and Associated Brands in 2013.

(3) Adjusted EBITDA represents net income before interest expense, income tax expense, depreciation and amortization expense, non-cash stock based compensation and unusual items. Adjusted EBITDA reflects contribution from Cains and Associated Brands since the respective acquisition closings on July 1, 2013 and October 8, 2013. There are limitations associated with the use of non-GAAP financial measures as compared to the use of the most directly comparable GAAP financial measure. Management believes adjusted EBITDA provides investors with helpful supplemental information regarding our underlying performance from period to period. This measure may be inconsistent with measures presented by other companies. See Non-GAAP Financial Measures for a discussion of our use of adjusted EBITDA.

The following table sets forth an unaudited reconciliation of net income to adjusted EBITDA:

	Year Ended December 31,		
	2013	2012	2011
	(In thousands)		
Net income as reported	$ 86,988	$ 88,363	$ 94,407
Interest expense, net	47,119	50,966	53,023
Income taxes	37,922	35,846	45,391
Depreciation and amortization	88,743	87,504	83,018
Stock-based compensation expense	16,118	12,824	15,107
Foreign currency loss on translation of cash and notes	1,699	853	17
Mark-to-market adjustments	(937)	1,092	(807)
Acquisition, integration and related costs	12,927	3,249	1,640
Loss on investment	4,470		
Restructuring/facility consolidation costs	28,363	16,048	8,246
Adjusted EBITDA	**$ 323,412**	**$ 296,745**	**$ 300,042**

(4) Free cash flow represents cash flow from operating activities less capital expenditures. There are limitations associated with the use of non-GAAP financial measures as compared to the use of the most directly comparable GAAP financial measure. Management believes free cash flow provides investors with helpful supplemental information regarding our cash flow available to meet future debt service and other payment obligations, satisfy working capital requirements and make strategic investments. This measure may be inconsistent with the measures presented by other companies. See Non-GAAP Financial Measures for a discussion of our use of free

cash flow.

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The following table sets forth an unaudited reconciliation of net cash provided by operating activities to free cash flow:

	Year Ended December 31,		
	2013	2012	2011
		(In thousands)	
Cash flow from operating activities	$ 216,690	$ 204,559	$ 156,071
Capital expenditures	74,780	70,277	68,523
Free cash flow	**$ 141,910**	**$ 134,282**	**$ 87,548**

Consolidated Ratio of Earnings to Fixed Charges

The following table sets forth our ratio of earnings to fixed charges for the periods indicated:

	Year Ended December 31,				
	2013	2012	2011	2010	2009
Ratio of Earnings to Fixed Charges(1)	2.88	2.79	2.96	3.39	5.03

(1) The ratio of earnings to fixed charges is computed by dividing (i) income from continuing operations before taxes and fixed charges by (ii) fixed charges. Our fixed charges consist of interest expense on indebtedness, capitalized interest, tax interest and the portion of rental expense that we deem to be representative of the interest factor of rental payments.

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RISK FACTORS

Investing in the notes involves risks. You should carefully consider the risk factors described below and in Part I, Item 1A, Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2013 and our other reports filed from time to time with the SEC, which are incorporated by reference into this prospectus supplement and the accompanying prospectus. Some of these risk factors relate principally to our business. Other factors relate principally to your investment in the notes. Before making any investment decision, you should carefully consider these risks. These risks could materially affect our business, results of operation or financial condition and affect the value of our securities. In such case, you may lose all or part of your original investment. The risks described below or incorporated by reference herein are not the only risks facing us. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also affect our business, results of operation or financial condition.

The indenture governing the notes will contain, and the agreements governing our existing indebtedness currently contain, various covenants limiting the discretion of our management in operating our business.

The indenture governing the notes, the 2018 Notes and our credit facility limit, among other things, our ability to:

- incur additional indebtedness or guarantee obligations;
- repay indebtedness (including the notes) prior to stated maturities;
- pay dividends or make certain other restricted payments;
- make investments or acquisitions;
- create liens or other encumbrances; and
- transfer or sell certain assets or merge or consolidate with another entity.

These limitations may prevent us from taking actions that we believe would be in the best interest of our business and may make it difficult for us to execute our business strategy successfully or effectively compete with companies that are not similarly restricted. These limitations are subject to important exceptions as described in this prospectus supplement under the heading Description of the Notes and in the relevant agreements.

Subject to certain limited exceptions, our credit facility requires us to maintain a leverage ratio, as defined in the credit facility, of 3.5 to 1.0. On a pro forma basis giving effect to this offering and the use of proceeds therefrom, we would have had a leverage ratio, as calculated in accordance with the credit facility, of approximately 3.1 to 1.0 as of December 31, 2013.

If we fail to comply with the various restrictions in the indenture, our credit facility or any other subsequent financing agreements, a default may allow the creditors under the relevant agreements, in certain circumstances, to accelerate

the related debt and to exercise their remedies thereunder, which will typically include the right to declare the principal amount of such debt, together with accrued and unpaid interest and other related amounts immediately due and payable, to exercise any remedies such creditors may have to foreclose on any of our assets that are subject to liens securing such debt and to terminate any commitments they had made to supply us with further funds. Moreover, any of our other debt that has a cross-default or cross-acceleration provision that would be triggered by such default or acceleration would also be subject to acceleration upon the occurrence of such default or acceleration.

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Our ability to comply with these covenants may be affected by events beyond our control, and an adverse development affecting our business could require us to seek waivers or amendments of covenants, alternative or additional sources of financing or reductions in expenditures. We cannot assure you that such waivers, amendments or alternative or additional financings could be obtained, or if obtained, would be on terms acceptable to us. In addition, the holders of the notes will have no control over any waivers or amendments with respect to any debt outstanding other than the debt outstanding under the indenture.

Despite our current levels of debt, we may still be able to incur substantially more debt. This could further exacerbate the risks associated with our substantial debt and prevent us from fulfilling our obligations under the notes.

On December 31, 2013, after giving effect to this offering and the application of the use of proceeds therefrom, the Company and the guarantors would have had total unsecured debt of approximately $961.1 million, primarily consisting of $400 million notes offered pursuant to this prospectus supplement, $559.3 million of debt under our credit facility, and approximately $179.9 million of additional unsecured debt (after giving effect to $10.8 million of letters of credit) would have been available to be borrowed under our credit facility. As of December 31, 2013, the Company and the guarantors had $3.3 million of secured debt. The subsidiaries of the Company that are not guarantors had total debt of approximately $0.4 million as of December 31, 2013, held approximately 11.9% of our total assets as of December 31, 2013 and generated approximately 16.5% of our total revenues for the fiscal year ended December 31, 2013. See note 23 to our consolidated financial statements incorporated by reference in this prospectus supplement and the accompanying prospectus.

We may be able to incur substantial additional debt in the future. Although our credit facility contains, the indenture governing the 2018 Notes contains and the indenture governing the notes will contain restrictions on the incurrence of additional debt, these restrictions are subject to a number of qualifications and exceptions and, under certain circumstances, debt incurred in compliance with these restrictions could be substantial. In addition, the agreements governing any additional indebtedness, including in connection with the Refinancing, that we incur might subject us to additional restrictive covenants that could further affect our financial and operational flexibility. If new debt is added to our current debt levels, the substantial risks described above would become stronger.

Federal and state laws permit courts to void guarantees under certain circumstances.

With certain exceptions, the notes will be guaranteed by certain domestic subsidiaries of ours. The guarantees may be subject to review under U.S. federal bankruptcy law and comparable provisions of state fraudulent conveyance laws if a bankruptcy or reorganization case or lawsuit is commenced by or on behalf of our or one of a guarantor s unpaid creditors. Under these laws, a court could void the obligations under the guarantee, subordinate the guarantee of the notes to that guarantor s other debt or take other action detrimental to holders of the notes and the guarantees of the notes, if, among other things, the guarantor, at the time it incurred the indebtedness evidenced by its guarantee:

- issued the guarantee to delay, hinder or defraud present or future creditors;
- received less than reasonably equivalent value or fair consideration for issuing the guarantee at the time it issued the guarantee;

was insolvent or rendered insolvent by reason of issuing the guarantee;

was engaged, or about to engage, in a business or transaction for which its remaining unencumbered assets constituted unreasonable small capital to carry on its business; or

intended to incur, or believed that it would incur, debts beyond its ability to pay as they mature.

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The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a guarantor would be considered insolvent if:

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

We cannot be sure as to the standard that a court would use to determine whether or not a guarantor was solvent at the relevant time, or, regardless of the standard that the court uses, that the issuance of the guarantees would not be voided or the guarantees would not be subordinated to the guarantors other debt. If such a case were to occur, the guarantee could also be subject to the claim that, since the guarantee was incurred for our benefit and only indirectly for the benefit of the guarantor, the obligations of the applicable guarantor were incurred for less than fair consideration.

Receipt of payment on the notes, as well as the enforcement of remedies under the subsidiary guarantees, may be limited in bankruptcy or in equity.

An investment in the notes, as in any type of security, involves insolvency and bankruptcy considerations that investors should carefully consider. If we or any of our subsidiary guarantors become a debtor subject to insolvency proceedings under the bankruptcy code, it is likely to result in delays in the payment of the notes and in the exercise of enforcement remedies under the notes or the subsidiary guarantees. Provisions under the bankruptcy code or general principles of equity that could result in the impairment of your rights include the automatic stay, avoidance or preferential transfers by a trustee or a debtor-in-possession, substantive consolidation, limitations of collectability of unmatured interest or attorneys fees and forced restructuring of the notes.

If a bankruptcy court substantively consolidates us and our subsidiaries, the assets of each entity would be subject to the claims of creditors of all entities. This would expose you not only to the usual impairments arising from bankruptcy, but also to potential dilution of the amount ultimately recoverable because of the larger creditor base. Furthermore, forced restructuring of the notes could occur through the cram-down provision of the bankruptcy code. Under this provision, the notes could be restructured over your obligations as to their general terms, primarily interest rate and maturity.

The notes and the guarantees will not be secured by any of our assets and therefore will be effectively subordinated to our future secured indebtedness.

The notes and any guarantees thereof will be general unsecured obligations ranking effectively junior in right of payment to all future secured debt of TreeHouse or the guarantor to the extent of the collateral securing such debt. The indenture governing the notes will permit the incurrence of additional debt, some of which may be secured debt. For example, the indenture governing the notes will permit us to incur up to $1.2 billion of Indebtedness under credit facilities, on a fully secured basis and, in certain circumstances, other unsecured debt on a fully secured basis,

including in the potential Refinancing. See Description of the Notes and Prospectus Supplement Summary Refinancing. In the event that TreeHouse or the guarantor is declared bankrupt, becomes insolvent or is liquidated or reorganized, creditors whose debt is secured by assets of TreeHouse or the guarantor will be entitled to the remedies available to secured holders under applicable laws, including the foreclosure of the collateral securing such debt, before any payment may be made with respect to the notes or the affected guarantees. As a result, there may be insufficient assets to pay amounts due on the notes and holders of the notes may receive less, ratably, than holders of secured indebtedness. As of December 31, 2013, the Company and the guarantors had $3.3 million of secured debt.

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The notes are structurally subordinated to the existing and future liabilities of our subsidiaries that do not guarantee the notes to the extent of the value of the assets of such non-guarantor subsidiaries.

The notes will be structurally subordinated to all existing and future liabilities of our subsidiaries that do not guarantee the notes. Therefore, TreeHouse s rights and the rights of its creditors to participate in the assets of any non-guarantor subsidiary in the event that such a subsidiary is liquidated or reorganized are subject to the prior claims of such subsidiary s creditors. As a result, all indebtedness and other liabilities, including trade payables, of the non-guarantor subsidiaries, whether secured or unsecured, must be satisfied before any of the assets of such subsidiaries would be available for distribution, upon a liquidation or otherwise, to TreeHouse in order for TreeHouse to meet its obligations with respect to the notes. To the extent that TreeHouse may be a creditor with recognized claims against any subsidiary, its claims would still be subject to the prior claims of such subsidiary s creditors to the extent that they are secured or senior to those held by it. TreeHouse s subsidiaries may incur additional indebtedness and other liabilities under the terms of the indenture governing the notes. The subsidiaries of the Company that are not guarantors had total debt of approximately $0.4 million as of December 31, 2013, held approximately 11.9% of our total assets as of December 31, 2013 and generated approximately 16.5% of our total revenues for the fiscal year ended December 31, 2013. See note 23 to our consolidated financial statements incorporated by reference in this prospectus supplement and the accompanying prospectus.

Our credit ratings may not reflect all risks of your investment in the notes.

Our credit ratings are an assessment by rating agencies of our ability to pay our debts when due. Consequently, real or anticipated changes in our credit ratings will generally affect the market value of the notes. These credit ratings may not reflect the potential impact of risks relating to structure or marketing of the notes. In addition, if any of our outstanding debt that is rated is downgraded, raising capital will become more difficult for us and borrowing costs under our credit facility and other future borrowings may increase. Agency ratings are not a recommendation to buy, sell or hold any security and may be revised or withdrawn at any time by the issuing organization. Each agency s rating should be evaluated independently of any other agency s rating.

We may issue additional notes.

Under the terms of the indenture that governs the notes, we may from time to time without notice to, or the consent of, the holders of the notes, create and issue additional notes of a new series which will be equal in rank to the notes in all material respects so that the new notes may be consolidated and form a single series with such notes and have the same terms as to status, redemption or otherwise as such notes; provided that if any such additional notes are not fungible for tax purposes, they will have a different CUSIP number.

If active trading markets do not develop for the notes, you may be unable to sell your notes or to sell your notes at prices that you deem sufficient.

The notes are new issues of securities for which there currently is no established trading market. We do not intend to list the notes on a national securities exchange. While the underwriters of the notes have advised us that they intend to make a market in the notes, the underwriters will not be obligated to do so and may stop their market making at any time. Any such market-making will be subject to the limitations imposed by the Securities Act and the Exchange Act.

In addition, we cannot assure you that you will be able to sell your notes at a particular time or that the prices that you receive when you sell will be favorable. We also cannot assure you as to the level of liquidity of the trading market for the notes. Future trading prices of the notes will depend on many factors, including:

our operating performance, prospects and financial condition or the operating performance, prospects and financial condition of companies in our industry generally;

the interests of securities dealers in making a market for the notes; and

the market for similar securities.

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It is possible that the market for the notes will be subject to disruptions. Any disruptions may have a negative effect on the holders of the notes, regardless of our prospects and financial performance.

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

Upon the occurrence of specific kinds of change of control events, each holder of notes may require us, subject to certain conditions, to repurchase all or a part of the notes at a price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to the date of repurchase. The terms of our then-existing indebtedness or other agreements may require repayment of amounts outstanding in the event of a change of control and limit our ability to fund the repurchase of the notes in certain circumstances. If we experience a Change of Control Repurchase Event, there can be no assurance that we would have sufficient financial resources available to satisfy our obligations to repurchase the notes. Our failure to repurchase the notes as required under the Indenture governing the notes would result in a default under the Indenture, which could have material adverse consequences for us and the holders of the notes. See Description of the Notes Repurchase at the Option of the Holders Offer to Repurchase upon Change of Control.

We may not be required, or we may not be able, to repurchase the notes upon an asset sale.

Under the terms of the indenture governing the notes, we may be required to repurchase all or a portion of the notes following an asset sale at a purchase price equal to 100% of the principal amount of the notes. However, we are only required to repurchase the notes from excess proceeds that we do not use to repay other senior debt or to acquire related businesses or assets. We can also defer the offer to you until there are excess proceeds in an amount greater than $35 million. In addition, certain of our other senior debt may also require us to repurchase their debt in connection with an asset sale. If this is the case, then the amount of funds available to purchase both the notes and the other senior debt may be insufficient to repurchase all notes and other senior debt.

The change of control put right may not be enforceable.

The Chancery Court of Delaware has raised the possibility in a decision that a change of control put right occurring as a result of a failure to have continuing directors comprising a majority of a board of directors might be unenforceable on public policy grounds. Therefore, you may not be entitled to receive this protection under the indenture.

We may pursue acquisitions, dispositions, investments, dividends, share repurchases and/or other corporate transactions that we believe will maximize equity returns of our shareholders but may involve risks to holders of the notes.

From time to time, we consider opportunities for acquisitions of businesses, product lines or other assets and other strategic transactions. These transactions may involve risks, such as risks of integration of acquired businesses. In addition, if our business performs according to our financial plan, the indenture governing the notes will allow us substantial flexibility to pay dividends on, or make significant repurchases of, our common stock. See Description of the Notes Certain Covenants Restricted Payments. These transactions will be subject to the discretion of our board of directors. There can be no assurance that we will effect any of these transactions, but, if we do, risks to the holders of the notes may be increased, possibly materially.

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USE OF PROCEEDS

We estimate that the net proceeds from this offering will be approximately $392.8 million after deducting underwriting discounts and our estimated expenses related to the offering. We intend to use the net proceeds to fund, together with borrowings under our revolving credit facility, the proposed repurchase of all of our outstanding 2018 Notes. This offering of notes is not contingent upon the repurchase of the 2018 Notes. There is no assurance that the Tender Offer will be subscribed for in any amount. In the event that all of the 2018 Notes are not acquired in the Tender Offer, we intend (but are not obligated) to redeem any 2018 Notes that remain outstanding, although the timing of any such redemption is within our discretion.

Because we intend to use the net proceeds of this offering to repurchase the 2018 Notes, certain of the underwriters or their affiliates may receive their pro rata portion of proceeds from this offering to the extent that such underwriters or their affiliates hold any of our existing 2018 Notes and tender such notes in the Tender Offer or receive them in any redemption of the 2018 Notes that we elect to pursue. See Underwriting.

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CAPITALIZATION

The below table sets forth our consolidated cash and cash equivalents and capitalization as of December 31, 2013:

on an actual basis; and

on an as adjusted basis after giving effect to this offering and the use of proceeds therefrom.

We have estimated that the net proceeds of this offering after deducting the estimated underwriting discounts and expenses will be approximately $392.8 million.

You should read this table in conjunction with Use of Proceeds and Selected Historical Financial Data in this prospectus supplement and Management s Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the year ended December 31, 2013 and our consolidated financial statements and the notes thereto incorporated by reference in this prospectus supplement and the accompanying prospectus.

	At December 31, 2013	
	Actual	As Adjusted
Cash and cash equivalents	$ 46,475	$ 46,475
Long-term debt, including current portion:		
Credit facility	$ 535,000	$ 559,259
2018 Notes	400,000	
Senior Notes offered hereby		400,000
Other long-term debt	5,496	5,496
Total long-term debt, including current portion	$ 940,496	$ 964,755
Shareholders equity:		
Common stock, $0.01 par value	365	365
Additional paid in capital	748,577	748,577
Retained earnings	555,939	543,223
Accumulated other comprehensive loss	(31,763)	(31,763)
Total shareholders equity	1,273,118	1,260,402
Total capitalization	$ 2,213,614	$ 2,225,157

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SELECTED HISTORICAL FINANCIAL DATA

The following statement of operations, statement of cash flow and balance sheet data were derived from our consolidated financial statements. Our consolidated financial statements for the years ended December 31, 2013, 2012, 2011, 2010 and 2009, have been audited by Deloitte & Touche LLP. The selected financial data below should be read in conjunction with, and are qualified in their entirety by reference to, Management s Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the year ended December 31, 2013 and our consolidated financial statements and the notes thereto incorporated by reference in this prospectus supplement and the accompanying prospectus.

	Year Ended December 31,				
	2013(3)	2012(2)	2011	2010(1)	2009
	(In thousands, except per share data)				
Operating data:					
Net sales	$ 2,293,927	$ 2,182,125	$ 2,049,985	$ 1,817,024	$ 1,511,653
Cost of sales	1,818,378	1,728,215	1,576,688	1,385,690	1,185,283
Gross profit	475,549	453,910	473,297	431,334	326,370
Operating costs and expenses:					
Selling and distribution	134,998	136,779	142,341	120,120	107,938
General and administrative	121,065	102,973	101,817	107,126	80,466
Amortization expense	35,375	33,546	34,402	26,352	13,381
Other operating (income) expense, net	5,947	3,785	6,462	1,183	(6,224)
Total operating expenses	297,385	277,083	285,022	254,781	195,561
Operating income	178,164	176,827	188,275	176,553	130,809
Other (income) expense:					
Interest expense	49,304	51,609	53,071	45,691	18,430
Interest income	(2,185)	(643)	(48)		(45)
Loss (gain) on foreign currency exchange	2,890	358	(3,510)	(1,574)	(7,387)
Other (income) expense, net	3,245	1,294	(1,036)	(3,964)	(2,263)
Total other expense	53,254	52,618	48,477	40,153	8,735
Income from continuing operations, before income taxes	124,910	124,209	139,798	136,400	122,074
Income taxes	37,922	35,846	45,391	45,481	40,760
Net income	$ 86,988	$ 88,363	$ 94,407	$ 90,919	$ 81,314
Net earnings per basic share	$ 2.39	$ 2.44	$ 2.64	$ 2.59	$ 2.54
Net earnings per diluted share	$ 2.33	$ 2.38	$ 2.56	$ 2.51	$ 2.48
Weighted average common shares:					
Basic	36,418	36,155	35,805	35,079	31,982
Diluted	37,396	37,118	36,950	36,172	32,798

Other data:					
Net Cash provided by (used in):					
Operating activities	$ 216,690	$ 204,559	$ 156,071	$ 244,651	$ 104,844
Investing activities	(306,850)	(109,362)	(74,302)	(906,106)	(34,118)
Financing activities	45,718	(5,965)	(83,540)	662,621	(69,725)
Depreciation and amortization	108,642	98,215	83,018	69,778	45,854
Capital expenditures	(74,780)	(70,277)	(68,523)	(39,543)	(36,987)

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	Year Ended December 31,				
	2013(3)	2012(2)	2011	2010(1)	2009
	(In thousands, except per share data)				
Balance sheet data (at end of period):					
Total assets	$ 2,721,054	$ 2,525,873	$ 2,404,529	$ 2,391,248	$ 1,384,428
Long-term debt	938,945	898,100	902,929	976,452	401,640
Other long-term liabilities	40,058	49,027	54,346	38,553	31,453
Deferred income taxes	228,569	212,461	202,258	194,917	45,381
Total stockholders equity	1,273,118	1,179,255	1,073,517	977,966	756,229

(1) We acquired Sturm and S.T. Foods in 2010.
(2) We acquired Naturally Fresh in 2012.
(3) We acquired Cains and Associated Brands in 2013.

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DESCRIPTION OF CERTAIN OTHER INDEBTEDNESS

As of December 31, 2013, we had $940.5 million of outstanding indebtedness which included $535 million under our $750 million revolving credit facility that matures September 23, 2016, $400 million of high yield notes that mature on March 1, 2018, and $5.5 million of tax increment financing, capital lease obligations, and other debt.

Revolving Credit Facility

We are party to an unsecured revolving credit facility (the Credit Agreement) with an aggregate commitment of $750 million, with Bank of America, N.A., as administrative agent, and a group of other participating lenders. The revolving credit facility matures September 23, 2016. The interest rates under the Credit Agreement are based on our consolidated leverage ratio, and are determined by either LIBOR plus a margin ranging from 1.00% to 1.60%, or a base rate (as defined in the Credit Agreement) plus a margin ranging from 0.00% to 0.60%. In addition, a facility fee ranging from 0.25% to 0.40% is due quarterly on the aggregate commitment under the revolving credit facility. Of our aggregate commitment under the Credit Agreement of $750 million, $204.2 million was available as of December 31, 2013. As of December 31, 2013, there were $10.8 million in letters of credit under the revolving credit facility that were issued but undrawn. The revolving credit facility contains various financial and other restrictive covenants and requires that we maintain certain financial ratios, including a leverage and interest coverage ratio. We are in compliance with all applicable covenants as of December 31, 2013. From an interest coverage ratio prospective, our ratio is nearly 53% higher than the minimum required level. As it relates to the leverage ratio, we were nearly 18% below the maximum level (where the maximum level is not increased in the event of an acquisition). At this time next year, assuming no acquisitions, we expect that our leverage ratio will be nearly 39% below the maximum level, indicating another year of strong cash flows. Our average interest rate on debt outstanding under the revolving credit facility for the year ended December 31, 2013 was 1.49%. Interest is payable quarterly or at the end of the applicable interest period.

The Credit Agreement contains limitations on liens, investments, the incurrence of subsidiary indebtedness, mergers, dispositions of assets, acquisitions, material lines of business and transactions with affiliates. The Credit Agreement prohibits certain agreements restricting the ability of our subsidiaries to make certain payments or to guarantee our obligations under the Credit Agreement. Under the terms of the revolving credit facility, we are allowed to issue dividends, provided that we are not in default at the time of the declaration and payment of such dividends. Furthermore, the declaration and payment of dividends must not result in default by TreeHouse. Our revolving credit facility requires that we maintain a certain level of available liquidity before and after dividends are declared and paid.

Refinancing

Subject to market and other conditions, we intend to refinance our revolving credit facility to provide for additional borrowing capacity in 2014 and have initiated discussions with banks regarding the potential Refinancing. Any additional borrowing capacity will be likely utilized to finance acquisitions and for other general corporate purposes. There are no assurances, however, that the Refinancing will be completed on commercially reasonable terms or at all.

2018 Notes

Our 7.75% high yield notes in aggregate principal amount of $400 million are due March 1, 2018. The 2018 Notes are guaranteed by our 100 percent owned subsidiary, Bay Valley, and Bay Valley s 100 percent owned subsidiaries, EDS; Sturm; and S.T. Foods and certain other of our subsidiaries that may become guarantors from time to time in accordance with the applicable Indenture and may fully, jointly, severally and unconditionally guarantee our payment obligations under any series of debt securities offered. The indenture

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governing the 2018 Notes provides, among other things, that the 2018 Notes will be senior unsecured obligations of TreeHouse. Interest is paid semi-annually on March 1 and September 1. The indenture contains various restrictive covenants of which we are in compliance as of December 31, 2013, that, among other things, limit the ability of TreeHouse and the guarantors to: (i) pay dividends or make other restricted payments, (ii) make certain investments, (iii) incur additional indebtedness or issue preferred stock, (iv) create liens, (v) allow restrictions on the ability of certain of its subsidiaries to pay dividends or make other payments to TreeHouse or the guarantors, (vi) merge or consolidate with other entities or sell substantially all of its assets, (vii) enter into transactions with affiliates and (viii) engage in certain sale and leaseback transactions. The foregoing limitations are only subject to the limitation that the above actions are not permitted if we are in default or the above actions would result in default of the indenture. The 2018 Notes are callable beginning March 1, 2014, subject to the call premium provided in the indenture. We intend to use the net proceeds from this offering to refinance and redeem the 2018 Notes, among other things. See Use of Proceeds.

We have commenced a Tender Offer and Consent Solicitation for any and all of the outstanding 2018 Notes as described under Prospectus Supplement Summary Tender Offer and Consent Solicitation. We intend to use the net proceeds of this offering, together with borrowings under our revolving credit facility, to purchase the 2018 Notes tendered pursuant to the Tender Offer and accepted for purchase by us. In the event the Consent Solicitation is successfully completed, proposed amendments to the indenture governing the 2018 Notes will be adopted, which amendments will eliminate most of the covenants and certain events of default applicable to the 2018 Notes. In the event that all of the 2018 Notes are not acquired in the Tender Offer, we intend (but are not obligated) to redeem any 2018 Notes that remain outstanding, although the timing of any such redemption is within our discretion.

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DESCRIPTION OF THE NOTES

You can find the definitions of certain terms used in this description under the caption Certain Definitions. In this description, the words *Company*, *Issuer*, *TreeHouse*, *us*, *we* and *our* refer only to TreeHouse Foods, Inc. and any of its Subsidiaries.

The Notes will be issued under a base indenture, dated as of March 2, 2010 (as supplemented to the Issue Date, the *Base Indenture*), and a supplemental indenture (the *Supplemental Indenture* and, together with the Base Indenture, the *Indenture*), to be dated as of the Issue Date, among the Company, the Guarantors and Wells Fargo Bank, National Association, as trustee (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 (the *Trust Indenture Act*). The Indenture has been filed as an exhibit to the registration statement of which this prospectus supplement is a part.

A registered holder of a Note (each, a *Holder*) will be treated as the owner of it for all purposes. Only registered Holders will have rights under the Indenture.

Brief Description of the Notes and the Guarantees

The Notes

These Notes will be:

- general unsecured obligations of the Company;
- *pari passu* in right of payment with all of the Company s existing and future senior unsecured Indebtedness, including the Credit Agreement and the Existing Senior Notes;
- senior in right of payment to any of the Company s future Indebtedness that is, by its terms, expressly subordinated in right of payment to the Notes;
- structurally subordinated to all liabilities of the Company s Subsidiaries that are not Guarantors;
- effectively subordinated to all of the Company s existing and future secured Indebtedness to the extent of the value of the assets securing such Indebtedness; and
- unconditionally guaranteed by the Guarantors.

The Subsidiary Guarantees

As of the Issue Date, the Notes will be guaranteed by all of the Domestic Subsidiaries of the Company that are guarantors of the Credit Agreement.

The Subsidiary Guarantees of the Notes will be:

- general unsecured obligations of each Guarantor;

- *pari passu* in right of payment with all existing and future senior unsecured Indebtedness of each Guarantor, including each Guarantor s guarantee of the Credit Agreement and the Existing Senior Notes;

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senior in right of payment with all existing and future Indebtedness of each Guarantor that is, by its terms, expressly subordinated in right of payment to the Subsidiary Guarantee of such Guarantor; and

effectively subordinated to each Guarantor s existing and future secured Indebtedness to the extent of the value of the assets securing such Indebtedness.

The obligations of each Guarantor under its Subsidiary Guarantee will be limited to the maximum amount as will, after giving effect to all other contingent and fixed liabilities of such Guarantor and after giving effect to any collections from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under its Subsidiary Guarantee or pursuant to its contribution obligations under the Indenture, result in the obligations of such Guarantor under its Subsidiary Guarantee not constituting a fraudulent conveyance or fraudulent transfer under federal or state law. Each Guarantor that makes a payment for distribution under its Subsidiary Guarantee is entitled to a contribution from each other Guarantor in a *pro rata* amount based on adjusted net assets of each Guarantor. See Risk Factors Risks Related to the Notes Federal and state laws permit courts to void the guarantees under certain circumstances.

As of December 31, 2013, after giving effect to this offering and the use of proceeds therefrom, the Company and the Guarantors would have had total unsecured Indebtedness of approximately $961.1 million (excluding letters of credit of $10.8 million). The Indenture permits us and the Guarantors to incur additional Indebtedness, including secured Indebtedness. As of the date hereof, all of our Domestic Subsidiaries that are guarantors of the Credit Agreement are Restricted Subsidiaries. However, under the circumstances described below under the caption Certain Covenants Restricted Payments, we are permitted to designate certain of our Subsidiaries as Unrestricted Subsidiaries. Unrestricted Subsidiaries are not subject to many of the restrictive covenants in the Indenture and will not guarantee these Notes. As of the Issue Date, all of our Domestic Subsidiaries that are guarantors of the Credit Agreement (which currently consist of Bay Valley, EDS, Sturm and S.T. Foods) will guarantee the Notes. In the event of a bankruptcy, liquidation or reorganization of any of our Subsidiaries that are not Guarantors, these non-guarantor Subsidiaries will pay the holders of their debt and their trade creditors before they will be able to distribute any of their assets to us. The non-guarantor Subsidiaries generated approximately 16.5% of our total net sales and 6.7% of our consolidated operating income for the fiscal year ended December 31, 2013 and held approximately 11.9% of our consolidated assets as of December 31, 2013.

The Subsidiary Guarantee of a Guarantor will be automatically released:

(1) upon any sale or other disposition of all or substantially all of the assets of that Guarantor (including by way of merger or consolidation), in accordance with the Indenture, to any Person who is not (either before or after giving effect to the transaction) the Company or any Restricted Subsidiary;

(2) if such Guarantor merges with and into the Company, with the Company surviving such merger;

(3) if such Guarantor is designated an Unrestricted Subsidiary in accordance with the Indenture or otherwise ceases to be a Restricted Subsidiary (including by way of liquidation or dissolution) in a transaction permitted by the Indenture;

(4) if we exercise our Legal Defeasance option or Covenant Defeasance option as described under Legal Defeasance and Covenant Defeasance or if our obligations under the Indenture are discharged in accordance with the terms of the Indenture as described under Satisfaction and Discharge;

(5) if such Guarantor ceases to be a Wholly Owned Restricted Subsidiary and such Guarantor is not otherwise required to provide a Subsidiary Guarantee of the Notes pursuant to the provisions described under Certain

Covenants Additional Subsidiary Guarantees; or

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(6) if such Guarantor is released or discharged as or otherwise ceases to be (i) a guarantor or a borrower under the Credit Agreement or (ii) a guarantor of any other Indebtedness of the Company or any of its Restricted Subsidiaries with a principal amount in excess of $20.0 million and, in each case, such Guarantor is not otherwise required to provide a Subsidiary Guarantee of the Notes pursuant to the provisions described under Certain Covenants Additional Subsidiary Guarantees.

Principal, Maturity and Interest

The Company will issue an aggregate principal amount of $400 million of Notes in this offering pursuant to the Supplemental Indenture. The Notes are a series of senior debt securities that the Company may issue under the Base Indenture. The Base Indenture does not limit the maximum aggregate principal amount of Notes or other debt securities that the Company may issue thereunder. From time to time after this offering, the Company may issue additional Notes (the *Additional Notes*) having identical terms and conditions as the Notes being issued in this offering except for issue date, issue price and first interest payment date. The Notes and any Additional Notes subsequently issued would be treated as a single series for all purposes under the Indenture, including, without limitation, waivers, amendments, redemption and offers to purchase; *provided* that, if any such Additional Notes subsequently issued are not fungible for U.S. federal income tax purposes with any Notes previously issued, such Additional Notes shall trade separately from such previously issued Notes under a separate CUSIP number, but shall otherwise be treated as a single series with all other Notes issued under the Indenture. Any offering of Additional Notes under the Indenture is subject to the covenant described below under the caption Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock.

The Notes will be issued only in denominations of $2,000 and integral multiples of $1,000 in excess thereof. The Notes will mature on March 15, 2022.

Interest on the Notes will accrue at the rate of 4.875% per annum from the Issue Date. Interest is payable semi-annually in arrears on March 15 and September 15, commencing on September 15, 2014. The Company will make each interest payment to the Holders of record of the Notes on the immediately preceding March 1 and September 1.

Interest on the Notes will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Methods of Receiving Payments on the Notes

If a Holder has given wire transfer instructions to the Company, the Company will make, or cause to be made, all principal, premium and interest payments on the Notes owned by such Holder in accordance with those instructions. All other payments on these Notes will be made at the office or agency of the Paying Agent and Registrar unless the Company elects to make interest payments by check mailed to the Holders at their respective addresses set forth in the register of Holders.

We will pay principal of, premium, if any, and interest on, the Notes in global form registered in the name of The Depository Trust Company or its nominee in immediately available funds to The Depository Trust Company or its nominee, as the case may be, as the registered holder of such global Notes.

Paying Agent and Registrar for the Notes

The Trustee is currently the Paying Agent and Registrar. The Company may change the Paying Agent or Registrar without prior notice to the Holders of the Notes, and the Company or any of its Subsidiaries may act as Paying Agent or Registrar.

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Optional Redemption

On or after March 15, 2017, we may redeem all or a part of the Notes upon not less than 30 nor more than 60 days notice, at the redemption prices (expressed as a percentage of principal amount of the Notes) set forth below plus accrued and unpaid interest to the applicable redemption date, if redeemed during the twelve-month period beginning on March 15 of the years indicated below:

Redemption Year	Price
2017	103.656%
2018	102.438%
2019	101.219%
2020 and thereafter	100.000%

Prior to March 15, 2017, we may, at our option, on any one or more occasions redeem up to 35% of the aggregate principal amount of the Notes issued under the Indenture with the Net Cash Proceeds of one or more Equity Offerings at a redemption price of 104.875% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date); *provided* that:

(1) at least 65% of the aggregate principal amount of the Notes issued under the Indenture remains outstanding after each such redemption; and

(2) the redemption occurs within 120 days after the closing of such Equity Offering.

In addition, at any time prior to March 15, 2017, we may, at our option, on any one or more occasions redeem all or a part of the Notes upon not less than 30 nor more than 60 days notice, at a redemption price equal to 100% of the principal amount thereof plus the Applicable Premium plus accrued and unpaid interest, if any, to the redemption date.

Applicable Premium means, with respect to a Note at any redemption date, the greater of (i) 1.0% of the principal amount of such Note and (ii) the excess of (A) the present value at such time of (1) the redemption price of such Note at March 15, 2017 (such redemption price being set forth in the table above) plus (2) all required interest payments due on such Note (excluding accrued and unpaid interest to such redemption date) through March 15, 2017, computed using a discount rate equal to the Treasury Rate plus 50 basis points, over (B) the principal amount of such Note. Calculation of the Applicable Premium will be made by the Company or on behalf of the Company by such Person as the Company shall designate; *provided* that such calculation or the correctness thereof shall not be a duty or obligation of the Trustee.

Treasury Rate means the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) which has become publicly available at least two Business Days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source or similar market data)) most nearly equal to the period from the redemption date to March 15, 2017; *provided*, *however*, that if the period from the redemption date to March 15, 2017 is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the period from the redemption date to March 15, 2017 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

If an optional redemption date is on or after an interest record date and on or before the related interest payment date, the accrued and unpaid interest, if any, will be paid to the Person in whose name the Note is registered at the close of business on such record date, and no additional interest will be payable to Holders the Notes of which will be subject to redemption by the Company.

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Selection and Notice of Redemption

If less than all of the Notes are to be redeemed at any time and the Notes are not in global form, the Trustee will select Notes for redemption as follows:

(1) if the Notes are listed, in compliance with the requirements of the principal national securities exchange on which the Notes are listed; or

(2) if the Notes are not so listed, on a *pro rata* basis subject to adjustment for minimum denominations.

No Notes of $2,000 or less shall be redeemed in part. Notices of redemption shall be mailed (or with respect to global Notes, to the extent permitted or required by applicable DTC procedures or regulations, send electronically) by first class mail at least 30 but not more than 60 days before the redemption date to each Holder of Notes to be redeemed at its registered address. Notices of redemption may not be conditional.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note shall state the portion of the principal amount thereof to be redeemed. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder thereof upon cancellation of the original Note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions of them called for redemption.

Mandatory Redemption

We are not required to make mandatory redemption payments or sinking fund payments with respect to the Notes.

Repurchase at the Option of the Holders

Offer to Repurchase upon Change of Control

If a Change of Control occurs, each Holder of Notes will have the right to require the Company to repurchase all or any part (equal to $2,000 or integral multiples of $1,000 in excess thereof) of that Holder s Notes pursuant to an offer (the *Change of Control Offer*). In the Change of Control Offer, the Company will offer to pay an amount (the *Change of Control Payment*) in cash equal to 101% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest. Within 30 days following any Change of Control, the Company will mail (or with respect to global Notes, to the extent permitted or required by applicable DTC procedures or regulations, send electronically) a notice to each Holder with a copy to the Trustee describing the transaction or transactions that constitute the Change of Control and offering to repurchase Notes on the date specified in such notice (the *Change of Control Payment Date*), pursuant to the procedures required by the Indenture and described in such notice. The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control.

On the Change of Control Payment Date, the Company will, to the extent lawful:

(1) accept for payment all Notes or portions thereof properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions thereof so tendered; and

(3) deliver or cause to be delivered to the Trustee the Notes so accepted together with an officers certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Company.

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The Paying Agent will promptly mail to each Holder of Notes so tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; *provided* that each such new Note will be in a principal amount of $2,000 or integral multiples of $1,000 in excess thereof. The Company will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

The provisions described above that require the Company to make a Change of Control Offer following a Change of Control will be applicable regardless of whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control, the Indenture does not contain provisions that permit the Holders of the Notes to require that the Company repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

If a Change of Control Offer is made, there can be no assurance that the Company will have available funds sufficient to pay for all or any of the Notes that might be delivered by Holders seeking to accept the Change of Control Offer. A Change of Control may constitute an event of default under the terms of the Credit Agreement and may also require an offer to repurchase the Existing Senior Notes. Future Indebtedness of the Company may contain prohibitions on certain events which would constitute a Change of Control or require such Indebtedness to be repurchased upon a Change of Control. In addition, we cannot assure you that in the event of a Change of Control the Company will be able to obtain the consents necessary to consummate a Change of Control Offer from the lenders under agreements governing outstanding Indebtedness that may prohibit the offer.

The Company will not be required to make a Change of Control Offer if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Company and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer or (2) a notice of redemption has been given prior to the Change of Control pursuant to the Indenture as described above under the caption Optional Redemption, unless and until there is a default in payment of the applicable redemption price.

Notwithstanding anything to the contrary contained herein, a Change of Control Offer may be made in advance of a Change of Control and conditioned upon the consummation of such Change of Control, if a definitive agreement with respect to the Change of Control is in place at the time the Change of Control Offer is made.

The definition of Change of Control includes a phrase relating to the sale, lease, transfer, conveyance or other disposition of all or substantially all of the assets of the Company and its 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 the Company to repurchase such Notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of the Company and its Subsidiaries taken as a whole to another Person or group may be uncertain.

Offer to Repurchase by Application of Excess Proceeds of Asset Sales

The Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) the Company (or the Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Sale at least equal to the fair market value (measured as of the date of the definitive agreement with respect to such Asset Sale) of the assets or Equity Interests issued or sold or otherwise disposed of, as approved in good faith by the Company s Board of Directors; and

(2) at least 75% of the consideration received in the Asset Sale by the Company or such Restricted Subsidiary is in the form of cash or Cash Equivalents. For purposes of this provision only (and specifically not for the purposes of the definition of Net Proceeds), each of the following shall be deemed to be cash:

(i) any liabilities (as shown on the Company s or such Restricted Subsidiary s most recent balance sheet) of the Company or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any Subsidiary Guarantee) that are assumed by the transferee of any such assets;

(ii) any securities, notes or other obligations received by the Company or any such Restricted Subsidiary from such transferee that within 180 days are converted by the Company or such Restricted Subsidiary into cash (to the extent of the cash received in that conversion);

(iii) the fair market value of (x) any assets (other than securities or current assets) received by the Company or any Restricted Subsidiary that will be used or useful in a Related Business, (y) Equity Interests in a Person that is a Restricted Subsidiary or in a Person engaged in a Related Business that shall become a Restricted Subsidiary immediately upon the acquisition of such Equity Interests by the Company or the applicable Restricted Subsidiary or (z) a combination of (x) and (y); *provided* that the determination of the fair market value of assets or Equity Interests in excess of $25.0 million received in any transaction or series of related transactions shall be evidenced by an officers certificate delivered to the Trustee; and

(iv) any Designated Noncash Consideration received by the Company or any Restricted Subsidiary in such Asset Sale having an aggregate fair market value, taken together with all other Designated Noncash Consideration received pursuant to this clause (iv) since the Issue Date that is at the time outstanding, not to exceed 5.0% of Consolidated Tangible Assets at the time of receipt of such Designated Noncash Consideration, with the fair market value of each item of Designated Noncash Consideration being measured at the time received and without giving effect to subsequent changes in value.

Within a period of 360 days (commencing after the Issue Date) after the receipt of any Net Proceeds of any Asset Sale (provided that if during such 360-day period after the receipt of any such Net Proceeds, the Company (or the applicable Restricted Subsidiary) enters into a definitive binding agreement committing it to apply such Net Proceeds in accordance with the requirements of clause (B) or (D) of this paragraph after such 360th day, such 360-day period will be extended with respect to the amount of Net Proceeds so committed for a period not to exceed 180 days until such Net Proceeds are required to be applied in accordance with such agreement (or, if earlier, until termination of such agreement)), the Company or such Restricted Subsidiary, at its option, may apply an amount equal to the Net Proceeds from such Asset Sale:

(A) to repay, prepay, redeem or repurchase Indebtedness (other than securities) under Credit Facilities and, if such Indebtedness is revolving credit Indebtedness, effect a permanent reduction in the availability under such revolving credit facility (or effect a permanent reduction in the availability under such revolving credit facility regardless of the fact that no prepayment is required in order to do so (in which case no prepayment shall be required));

(B) to acquire Equity Interests in a Person that is engaged in a Related Business that shall become a Restricted Subsidiary immediately upon the acquisition of such Equity Interests by the Company or the applicable Restricted Subsidiary;

(C) to make capital expenditures in a Related Business;

(D) to acquire other assets (other than securities or current assets) that will be used or useful in a Related Business; or

(E) a combination of prepayments and investments permitted by the foregoing clauses (A), (B), (C) and (D).

Pending the final application of such Net Proceeds, the Company or any Restricted Subsidiary may temporarily reduce borrowings under the Credit Facilities or any other revolving credit facility, if any, or otherwise invest such Net Proceeds in any manner not prohibited by the Indenture. Subject to the last sentence of the following paragraph, on the 361st day (as extended pursuant to the provisions in the preceding paragraph) after an Asset Sale or such earlier date, if any, as the Board of Directors of the Company or of such Restricted Subsidiary determines not to apply the Net Proceeds relating to such Asset Sale as set forth in clause (A), (B), (C), (D) or (E) of the second preceding sentence (each, a *Net Proceeds Offer Trigger Date*), such aggregate amount of Net Proceeds which have not been applied on or before such Net Proceeds Offer Trigger Date as permitted in clauses (A), (B), (C), (D) or (E) of the second preceding sentence (each a *Net Proceeds Offer Amount*) shall be applied by the Company or such Restricted Subsidiary to make an offer to purchase (the *Net Proceeds Offer*) on a date (the *Net Proceeds Offer Payment Date*) not less than 30 nor more than 60 days following the applicable Net Proceeds Offer Trigger Date, from all Holders (and, if required by the terms of any other Indebtedness of the Company ranking *pari passu* with the Notes in right of payment and which has similar provisions requiring the Company either to make an offer to repurchase or to otherwise repurchase, redeem or repay such Indebtedness with the proceeds from Asset Sales (the *Pari Passu Indebtedness*), from the holders of such Pari Passu Indebtedness) on a *pro rata* basis (in proportion to the respective principal amounts or accreted value, as the case may be, of the Notes and any such Pari Passu Indebtedness) an aggregate principal amount of Notes (plus, if applicable, an aggregate principal amount or accreted value, as the case may be, of Pari Passu Indebtedness) equal to the Net Proceeds Offer Amount. The offer price in any Net Proceeds Offer shall be equal to 100% of the principal amount of the Notes (or 100% of the principal amount or accreted value, as the case may be, of such Pari Passu Indebtedness), plus accrued and unpaid interest thereon, if any, to the Net Proceeds Offer Payment Date.

Notwithstanding the foregoing, if at any time any non-cash consideration received by the Company or any Restricted Subsidiary, as the case may be, in connection with any Asset Sale is converted into or sold or otherwise disposed of for cash (other than interest received with respect to any such non-cash consideration), then such conversion or disposition shall be deemed to constitute an Asset Sale hereunder and the Net Proceeds thereof shall be applied in accordance with this covenant. The Company may defer the Net Proceeds Offer until there is an aggregate unutilized Net Proceeds Offer Amount equal to or in excess of $35.0 million resulting from one or more Asset Sales (at which time the entire unutilized Net Proceeds Offer Amount, and not just the amount in excess of $35.0 million, shall be applied as required pursuant to this paragraph, and in which case the Net Proceeds Offer Trigger Date shall be deemed to be the earliest date that the Net Proceeds Offer Amount is equal to or in excess of $35.0 million).

Each Net Proceeds Offer will be mailed (or with respect to global Notes, to the extent permitted or required by applicable DTC procedures or regulations, sent electronically) to the record Holders as shown on the register of Holders within 25 days following the Net Proceeds Offer Trigger Date, with a copy to the Trustee, and shall comply with the procedures set forth in the Indenture. Upon receiving notice of the Net Proceeds Offer, Holders may elect to tender their Notes in whole or in part in denominations of $2,000 or integral multiples of $1,000 in excess thereof in exchange for cash. To the extent that the aggregate principal amount of Notes (plus, if applicable, the aggregate principal amount or accreted value, as the case may be, of Pari Passu Indebtedness) validly tendered by the Holders thereof and not withdrawn exceeds the Net Proceeds Offer Amount, Notes of tendering Holders (and, if applicable, Pari Passu Indebtedness tendered by the holders thereof) will be purchased on a *pro rata* basis (based on the principal amount of the Notes and, if applicable, the principal amount or accreted value, as the case may be, of any such Pari Passu Indebtedness tendered and not withdrawn). To the extent that the aggregate amount of the Notes (plus, if applicable, the aggregate principal amount or accreted value, as the case may be, of any Pari Passu Indebtedness) tendered pursuant to a Net Proceeds Offer is less than the Net Proceeds Offer

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Amount, the Company may use such excess Net Proceeds Offer Amount for general corporate purposes or for any other purpose not prohibited by the Indenture. Upon completion of any such Net Proceeds Offer, the Net Proceeds Offer Amount shall be reset at zero. A Net Proceeds Offer shall remain open for a period of 20 Business Days or such longer period as may be required by applicable law.

The Company or the applicable Restricted Subsidiary, as the case may be, will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of Notes pursuant to a Net Proceeds Offer. To the extent that the provisions of any securities laws or regulations conflict with the Asset Sale provisions of the Indenture, the Company or such Restricted Subsidiary shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under the Asset Sale provisions of the Indenture by virtue thereof.

Certain Covenants

Covenant Suspension

If on any date following the Issue Date the Notes have an Investment Grade Rating from both Rating Agencies and no Default or Event of Default has occurred and is continuing under the Indenture, then beginning on that day and subject to the provisions of the following paragraph, the provisions specifically listed under the following captions in this prospectus supplement will be suspended:

Repurchase at the Option of the Holders Offer to Repurchase by Application of Excess Proceeds of Asset Sales,

Restricted Payments,

Incurrence of Indebtedness and Issuance of Preferred Stock,

Limitations on Layering Indebtedness,

clause (3) of Merger, Consolidation or Sale of Assets,

Dividend and Other Payment Restrictions Affecting Subsidiaries and

Transactions with Affiliates

(collectively, the *Suspended Covenants*). The period during which covenants are suspended pursuant to this section is called the Suspension Period. The Company will notify the Trustee of the continuance and termination of any Suspension Period. The Trustee shall have no obligation to independently determine or verify if such events have occurred or notify the holders of the continuance and termination of any Suspension Period. The Trustee may provide a copy of such notice to any holder of Notes upon request.

In the event that the Company and the Restricted Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of the second preceding sentence and, subsequently, one of the Rating Agencies withdraws its ratings or downgrades the rating assigned to the Notes so that the Notes no longer have Investment Grade Ratings from both Rating Agencies or a Default or Event of Default occurs and is continuing, then the Company and the Restricted Subsidiaries will from such time and thereafter again be subject to the Suspended Covenants and compliance with the Suspended Covenants with respect to Restricted Payments made after the time of such withdrawal, downgrade, Default or Event of Default will be calculated in accordance with the terms of the covenant described below under the caption Restricted Payments and Incurrence of Indebtedness and Issuance of Preferred Stock as though such covenant had been in effect during the entire period of time from the Issue Date. Notwithstanding the foregoing and any other provision of the Indenture, the Notes or the Subsidiary Guarantees, no Default or Event of Default shall be deemed to exist under the Indenture,

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the Notes or the Subsidiary Guarantees with respect to the Suspended Covenants based on, and none of the Company or any of the Restricted Subsidiaries shall bear any liability with respect to the Suspended Covenants for, (a) any actions taken or events occurring during a Suspension Period (including without limitation any agreements, Liens, preferred stock, obligations (including Indebtedness), or of any other facts or circumstances or obligations that were incurred or otherwise came into existence during a Suspension Period) or (b) any actions required to be taken at any time pursuant to any contractual obligation entered into during a Suspension Period, regardless of whether such actions or events would have been permitted if the applicable Suspended Covenants remained in effect during such period.

Restricted Payments

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Company s or any of its Restricted Subsidiaries Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Company or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company s or any of its Restricted Subsidiaries Equity Interests in their capacity as such (other than (i) dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Company or (ii) to the Company or a Restricted Subsidiary of the Company);

(2) purchase, repurchase, redeem, defease or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Company) any Equity Interests of the Company or any direct or indirect parent of the Company, in each case held by Persons other than the Company or a Restricted Subsidiary of the Company;

(3) make any payment on or with respect to, or purchase, repurchase, redeem, defease or otherwise acquire or retire for value any Indebtedness that is subordinated to the Notes or the Subsidiary Guarantees, except a payment of interest or principal at the Stated Maturity thereof (other than intercompany Indebtedness between or among the Company and its Restricted Subsidiaries); or

(4) make any Restricted Investment;

(all such payments and other actions set forth in clauses (1) through (4) above being collectively referred to as *Restricted Payments*), unless, at the time of and after giving effect to such Restricted Payment:

(a) no Default or Event of Default shall have occurred and be continuing or would occur as a consequence of such Restricted Payment;

(b) the Company would, at the time of such Restricted Payment and after giving pro forma effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described below under the caption Incurrence of Indebtedness and Issuance of Preferred Stock; and

(c) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries after March 2, 2010 (excluding Restricted Payments permitted by clause (2), (3), (4), (5), (9) or (10) of the next succeeding paragraph), is less than the sum, without duplication, of:

(i) 50% of the cumulative Consolidated Net Income of the Company for the period (taken as one accounting period) commencing on January 1, 2010 to and ending on the last day

of the fiscal quarter ended immediately prior to the date of such calculation for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit); *plus*

(ii) 100% of the aggregate net proceeds (including the fair market value of property other than cash) received by the Company after March 2, 2010 as a contribution to its common equity capital or from the issue or sale of Equity Interests of the Company (other than Disqualified Stock) or from the issue or sale of Disqualified Stock or debt securities of the Company that have been converted into or exchanged for such Equity Interests (other than Equity Interests (or Disqualified Stock or debt securities) sold to a Subsidiary of the Company); *plus*

(iii) to the extent that any Restricted Investment that was made after March 2, 2010 is sold for cash or otherwise liquidated or repaid for cash, the lesser of (x) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (y) the initial amount of such Restricted Investment; *plus*

(iv) upon redesignation of an Unrestricted Subsidiary as a Restricted Subsidiary, the lesser of (x) the fair market value of the Company s Investment in such Subsidiary as of the date of redesignation and (y) such fair market value as of the date such Subsidiary was originally designated as an Unrestricted Subsidiary.

As of December 31, 2013, the amount available for Restricted Payments pursuant to this clause (c) was approximately $169.4 million.

The preceding provision will not prohibit:

(1) the payment of any dividend within 60 days after the date of declaration thereof, if at said date of declaration such payment would have complied with the provisions of the Indenture;

(2) the redemption, repurchase, retirement, defeasance or other acquisition of any subordinated Indebtedness of the Company or any of its Restricted Subsidiaries or any Equity Interests of the Company or any of its Restricted Subsidiaries in exchange for, or out of the net cash proceeds of the substantially concurrent sale (other than to a Restricted Subsidiary of the Company) of, Equity Interests of the Company (other than Disqualified Stock); *provided* that the amount of any such net cash proceeds that are utilized for any such redemption, repurchase, retirement, defeasance or other acquisition shall be excluded from clause (c)(ii) of the preceding paragraph;

(3) the redemption, repurchase, retirement, defeasance or other acquisition of subordinated Indebtedness or Disqualified Stock of the Company or any of its Restricted Subsidiaries with the net cash proceeds from a substantially concurrent incurrence of Permitted Refinancing Indebtedness;

(4) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Company or any Restricted Subsidiary of the Company held by any member of the Company s (or any of its Restricted Subsidiaries) management pursuant to any management equity subscription agreement, stock option agreement, employment agreement, severance agreement or other executive compensation arrangement; *provided* that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests shall not exceed $5.0 million in any twelve-month period (provided that the Company may carry over and make in a subsequent calendar year, commencing with 2015, in addition to the amounts permitted for such calendar year, up to $2.0 million of unutilized capacity under this clause (4) attributable to the immediately preceding calendar year;

(5) the repurchase of Equity Interests deemed to occur upon the exercise of stock options to the extent such Equity Interests represent a portion of the exercise price of those stock options;

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(6) payments to holders of the Company s capital stock in lieu of the issuance of fractional shares of its Capital Stock;

(7) the redemption, repurchase, retirement, defeasance or other acquisition of Disqualified Stock of the Company in exchange for Disqualified Stock of the Company that is permitted to be issued as described below under the caption Incurrence of Indebtedness and Issuance of Preferred Stock;

(8) the purchase, redemption, acquisition, cancellation or other retirement for a nominal value per right of any rights granted to all the holders of Common Stock of the Company pursuant to any shareholders rights plan adopted for the purpose of protecting shareholders from unfair takeover tactics; *provided* that any such purchase, redemption, acquisition, cancellation or other retirement of such rights is not for the purpose of evading the limitations of this covenant (all as determined in good faith by a senior financial officer of the Company);

(9) other Restricted Payments in an aggregate amount since March 2, 2010 not to exceed $100.0 million under this clause (9); and

(10) the making of any Restricted Payment if, at the time of making of such payments and after giving pro forma effect thereto (including, without limitation, to the incurrence of any Indebtedness to finance such payments), the Consolidated Total Leverage Ratio would not be greater than 3.5 to 1.0;

provided that in the case of clauses (4), (5), (9) and (10), no Default shall have occurred and be continuing.

The amount of all Restricted Payments (other than cash) shall be the fair market value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The fair market value of any assets or securities that are required to be valued by this covenant shall be determined in good faith by the Board of Directors whose resolution with respect thereto shall be delivered to the Trustee. With respect to any Restricted Payment permitted pursuant to clause (2), (3) or (7) of the preceding paragraph, not later than 10 days following the end of the fiscal quarter in which such Restricted Payment was made, the Company shall deliver to the Trustee an officers certificate stating that such Restricted Payment is permitted and setting forth the basis upon which the calculations required by this Restricted Payments covenant were computed.

The Board of Directors may designate any Restricted Subsidiary to be an Unrestricted Subsidiary in accordance with the definition of Unrestricted Subsidiary if the designation would not cause a Default. All outstanding Investments owned by the Company and its Restricted Subsidiaries in the designated Unrestricted Subsidiary will be treated as an Investment made at the time of the designation and will reduce the amount available for Restricted Payments under the first paragraph of this covenant or Permitted Investments, as applicable. All such outstanding Investments will be treated as Restricted Investments equal to the fair market value of such Investments at the time of the designation. The designation will not be permitted if such Restricted Payment would not be permitted at that time and if such Restricted Subsidiary does not otherwise meet the definition of an Unrestricted Subsidiary. The Board of Directors may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary in accordance with the definition of Unrestricted Subsidiary.

Incurrence of Indebtedness and Issuance of Preferred Stock

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, *incur*) any Indebtedness (including Acquired Debt), and the Company will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; *provided*, *however*,

that the Company and any of the Guarantors may incur Indebtedness (including Acquired Debt) or issue Disqualified Stock, and the Guarantors may issue preferred stock, if the Fixed

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Charge Coverage Ratio for the Company s most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock or preferred stock is issued would have been at least 2.0 to 1.0, determined on a pro forma basis (including a pro forma application of the net proceeds therefrom) as if the additional Indebtedness had been incurred, or the Disqualified Stock or preferred stock had been issued, as the case may be, at the beginning of such four-quarter period.

The first paragraph of this covenant will not prohibit the incurrence of any of the following items of Indebtedness (collectively, *Permitted Debt*):

(1) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness and letters of credit under Credit Facilities in an aggregate amount at any time outstanding (with letters of credit being deemed to have a principal amount equal to the maximum potential liability of the Company and its Restricted Subsidiaries thereunder) not to exceed the greater of $1.2 billion or the Borrowing Base, less the aggregate amount of all Net Proceeds of Asset Sales applied by the Company or any of its Restricted Subsidiaries to repay Indebtedness and permanently reduce commitments under Credit Facilities pursuant to the covenant described above under the caption Repurchase at the Option of the Holders Offer to Repurchase by Application of Excess Proceeds of Asset Sales;

(2) the incurrence by the Company and its Restricted Subsidiaries of Existing Indebtedness;

(3) the incurrence by the Company and the Guarantors of Indebtedness represented by the Notes and Subsidiary Guarantees to be issued on the Issue Date;

(4) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case, incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment used in the business of the Company or such Restricted Subsidiary, in an aggregate principal amount, including all Permitted Refinancing Indebtedness incurred to refund, refinance or replace any Indebtedness incurred pursuant to this clause (4), not to exceed $25.0 million at any time outstanding;

(5) the incurrence by the Company or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to refund, refinance or replace, Indebtedness incurred under clauses (2) or (3) above or this clause (5) or pursuant to the first paragraph of this covenant;

(6) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness owed to the Company or any of its Restricted Subsidiaries; *provided*, *however*, that:

(a) if the Company or any Guarantor is the obligor on such Indebtedness, such Indebtedness must be expressly subordinated to the prior payment in full in cash of all Obligations with respect to the Notes, in the case of the Company, or the Subsidiary Guarantee of such Guarantor, in the case of a Guarantor; and

(b) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Company or a Restricted Subsidiary thereof and (ii) any sale or other transfer of any such Indebtedness to a Person that is not either the Company or a Restricted Subsidiary thereof shall be deemed, in each case, to constitute an incurrence of such Indebtedness by the Company or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (6);

(7) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness under Hedging Obligations entered into for *bona fide* hedging purposes of the Company or any Restricted Subsidiary and not for the purpose of speculation; *provided* that in the case of Hedging Obligations relating to interest rates, (a) such Hedging Obligations relate to payment obligations on Indebtedness otherwise permitted to be incurred by this covenant and (b) the notional principal amount of such Hedging Obligations at the time incurred does not exceed the principal amount of the Indebtedness to which such Hedging Obligations relate;

(8) the Guarantee by the Company or any of its Restricted Subsidiaries of Indebtedness of the Company or a Restricted Subsidiary of the Company that was permitted to be incurred by another provision of this covenant and could have been incurred (in compliance with this covenant) by the Person so Guaranteeing such Indebtedness;

(9) the incurrence of Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently (except in the case of daylight overdrafts) drawn against insufficient funds in the ordinary course of business; *provided*, *however*, that such Indebtedness is extinguished within five Business Days of incurrence;

(10) the incurrence of Indebtedness of the Company or any of its Restricted Subsidiaries in respect of security for workers compensation claims, payment obligations in connection with self-insurance, performance, surety and similar bonds and completion guarantees provided by the Company or any of its Restricted Subsidiaries in the ordinary course of business; *provided*, that the underlying obligation to perform is that of the Company and its Restricted Subsidiaries and not that of the Company s Unrestricted Subsidiaries; *provided further*, that such underlying obligation is not in respect of borrowed money;

(11) the incurrence of Indebtedness that may be deemed to arise as a result of agreements of the Company or any Restricted Subsidiary of the Company providing for indemnification, adjustment of purchase price, earn-out or similar Obligations, in each case, incurred or assumed in connection with the disposition of any business or assets of the Company or any Restricted Subsidiary or Equity Interests of a Restricted Subsidiary; *provided* that (a) any amount of such Obligations included on the face of the balance sheet of the Company or any Restricted Subsidiary shall not be permitted under this clause (11) and (b) the maximum aggregate liability in respect of all such Obligations outstanding under this clause (11) shall at no time exceed the gross proceeds actually received by the Company and the Restricted Subsidiaries in connection with such disposition;

(12) Indebtedness incurred under commercial letters of credit issued for the account of the Company or any of its Restricted Subsidiaries in the ordinary course of business (and not for the purpose of, directly or indirectly, incurring Indebtedness or providing credit support or a similar arrangement in respect of Indebtedness), provided that any drawing under any such letter of credit is reimbursed in full within seven days or Indebtedness of the Company or any of its Restricted Subsidiaries under letters of credit and bank guarantees backstopped by letters of credit under the Credit Facilities;

(13) Indebtedness of Foreign Restricted Subsidiaries in an aggregate principal amount not to exceed $50.0 million at any one time outstanding;

(14) any Attributable Indebtedness; provided that the aggregate Indebtedness incurred pursuant to this clause (14) shall not exceed $25.0 million at any time outstanding;

(15) Indebtedness in respect of Receivables Program Obligations; and

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(16) the incurrence by the Company or any of its Restricted Subsidiaries of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness incurred to refund, refinance or replace any Indebtedness incurred pursuant to this clause (16), not to exceed $100.0 million.

For purposes of determining compliance with this Incurrence of Indebtedness and Issuance of Preferred Stock covenant, in the event that an item of proposed Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (16) above, or is entitled to be incurred pursuant to the first paragraph of this covenant, the Company will be permitted to classify such item of Indebtedness on the date of its incurrence (or later reclassify such Indebtedness in whole or in part) in any manner that complies with this covenant. In addition, the accrual of interest, accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, and the payment of dividends on Disqualified Stock in the form of additional shares of the same class of Disqualified Stock will not be treated as an incurrence of Indebtedness; *provided*, in each such case, that the amount thereof is included in Fixed Charges of the Company as accrued. Notwithstanding the foregoing, any Indebtedness outstanding pursuant to the Credit Agreement on the date of the Indenture will be deemed to have been incurred pursuant to clause (1) of the definition of Permitted Debt.

Notwithstanding the foregoing, the maximum amount of Indebtedness that may be incurred pursuant to this covenant shall not be deemed to be exceeded with respect to any outstanding Indebtedness due solely to the result of fluctuations in the exchange rates of currencies.

For purposes of determining compliance with any U.S. dollar denominated restriction on the incurrence of Indebtedness where the Indebtedness incurred is denominated in a different currency, the amount of such Indebtedness will be the U.S. Dollar Equivalent determined on the date of the incurrence of such Indebtedness; *provided*, *however*, that if any such Indebtedness denominated in a different currency is subject to a Currency Protection Agreement with respect to U.S. dollars covering all principal, premium, if any, and interest payable on such Indebtedness, the amount of such Indebtedness expressed in U.S. dollars will be as provided in such Currency Protection Agreement. The principal amount of any Permitted Refinancing Indebtedness incurred in the same currency as the Indebtedness being refinanced will be the U.S. Dollar Equivalent of the Indebtedness refinanced, except to the extent that (1) such U.S. Dollar Equivalent was determined based on a Currency Protection Agreement, in which case the Permitted Refinancing Indebtedness will be determined in accordance with the preceding sentence, and (2) if the principal amount of the Permitted Refinancing Indebtedness exceeds the principal amount of the Indebtedness being refinanced, the U.S. Dollar Equivalent of such excess, as appropriate, will be determined on the date such Permitted Refinancing Debt is incurred.

Limitations on Layering Indebtedness

The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly, incur any Indebtedness that is or purports to be by its terms (or by the terms of any agreement governing such Indebtedness) subordinated in right of payment to any other Indebtedness of the Company or of such Restricted Subsidiary, as the case may be, unless such Indebtedness is also by its terms (or by the terms of any agreement governing such Indebtedness) made expressly subordinated in the right of payment to the Notes or the Subsidiary Guarantee of such Restricted Subsidiary, to the same extent and in the same manner as such Indebtedness is subordinated in right of payment to such other Indebtedness of the Company or such Restricted Subsidiary, as the case may be.

For purposes of the foregoing, no Indebtedness will be deemed to be subordinated in right of payment to any other Indebtedness of the Company or any Restricted Subsidiary solely by virtue of being unsecured or secured by a junior priority Lien or by virtue of the fact that the holders of such Indebtedness have entered into intercreditor agreements

or other arrangements giving one or more of such holders priority over the other holders in the collateral held by them, including intercreditor agreements that contain customary provisions requiring

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turnover by holders of junior priority Liens of proceeds of collateral in the event that the security interests in favor of the holders of the senior priority in such intended collateral are not perfected or invalidated and similar customary provisions protecting the holders of senior priority Liens.

Liens

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, (1) assign or convey any right to receive income on any property or asset now owned or hereafter acquired or (2) create, incur, assume or suffer to exist any Lien of any kind securing Indebtedness or trade payables on any property or asset now owned or hereafter acquired or on any income or profits therefrom other than, in each case, Permitted Liens, unless the Notes and the Subsidiary Guarantees, as applicable, are

(1) in the case of any Lien securing an Obligation that ranks pari passu with the Notes or a Subsidiary Guarantee, effective provision is made to secure the Notes or such Subsidiary Guarantee, as the case may be, at least equally and ratably with or prior to such Obligation with a Lien on the same properties or assets of the Company or such Restricted Subsidiary, as the case may be; and

(2) in the case of any Lien securing an Obligation that is subordinated in right of payment to the Notes or a Subsidiary Guarantee, effective provision is made to secure the Notes or such Subsidiary Guarantee, as the case may be, with a Lien on the same properties or assets of the Company or such Restricted Subsidiary, as the case may be, that is prior to the Lien securing such subordinated obligation, in each case, for so long as such Obligation is secured by such Lien.

Dividend and Other Payment Restrictions Affecting Subsidiaries

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on its Capital Stock to the Company or any of the Company s Restricted Subsidiaries, or with respect to any other interest or participation in, or measured by, its profits, or pay any Indebtedness owed to the Company or any of the Company s Restricted Subsidiaries;

(2) make loans or advances to the Company or any of the Company s Restricted Subsidiaries; or

(3) transfer any of its properties or assets to the Company or any of the Company s Restricted Subsidiaries.

However, the preceding restrictions will not apply to encumbrances or restrictions existing under or by reason of:

(1) agreements governing Existing Indebtedness and the Credit Agreement as in effect on the date of the Indenture and any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of those agreements, provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in such agreements on the Issue Date;

(2) the Indenture, the Notes and the related Subsidiary Guarantees;

(3) applicable law;

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(4) any instrument governing Indebtedness or Capital Stock of a Person acquired by the Company or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness was incurred or Capital Stock was issued in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired, *provided* that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the Indenture to be incurred;

(5) customary non-assignment provisions in leases, licenses, contracts and other agreements entered into in the ordinary course of business and consistent with past practices;

(6) purchase money obligations for property acquired in the ordinary course of business that impose restrictions on the property so acquired of the nature described in clause (3) of the preceding paragraph;

(7) any agreement for the sale or other disposition of all or substantially all the Capital Stock or assets of a Restricted Subsidiary that restricts distributions by such Restricted Subsidiary pending the closing of such sale or other disposition;

(8) agreements governing Permitted Refinancing Indebtedness, *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced;

(9) any agreement creating a Lien securing Indebtedness otherwise permitted to be incurred pursuant to the provisions of the covenant described above under the caption Liens, to the extent limiting the right of the Company or any of its Restricted Subsidiaries to dispose of the assets subject to such Lien;

(10) provisions with respect to the disposition or distribution of assets or property in joint venture agreements and other similar agreements entered into in the ordinary course of business;

(11) customary restrictions on a Receivables Subsidiary and Receivables Program Assets effected in connection with a Qualified Receivables Transaction;

(12) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business; and

(13) agreements governing Indebtedness incurred in compliance with clause (4) of the covenant described under Incurrence of Indebtedness and Issuance of Preferred Stock, provided that such encumbrances or restrictions apply only to assets financed with the proceeds of such Indebtedness.

Merger, Consolidation or Sale of Assets

(a) The Company will not, directly or indirectly, in a single transaction or series of related transactions, consolidate or merge with or into any other Person or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets (determined on a consolidated basis) to any Person or group of affiliated Persons, or permit any of its Restricted Subsidiaries to enter into any such transaction or transactions if such transaction or transactions, in the aggregate, would result in sale, assignment transfer, lease, conveyance or other disposition of all or substantially all of the properties or assets of the Company and its Restricted Subsidiaries taken as a whole to any other Person or group of Persons unless:

(1) either:

(a) the Company shall be the surviving or continuing corporation; or

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(b) the Person formed by or surviving such consolidation or merger (if other than the Company) or the Person to which such sale, assignment, transfer, lease, conveyance or other disposition has been made is (the *Surviving Entity*) a corporation organized and validly existing under the laws of the United States, any State thereof or the District of Columbia;

(2) the Surviving Entity, if applicable, expressly assumes, by supplemental indenture (in form and substance reasonably satisfactory to the Trustee), executed and delivered to the Trustee, the due and punctual payment of the principal of and premium, if any, and interest on all of the Notes and the performance of every covenant of the Notes and the Indenture on the part of the Company to be performed or observed;

(3) immediately after giving pro forma effect to such transaction or series of transactions and the assumption contemplated by clause (2) above (including giving effect to any Indebtedness and Acquired Debt, in each case, incurred or anticipated to be incurred in connection with or in respect of such transaction), the Company or the Surviving Entity, as the case may be, shall (a) be able to incur at least $1.00 of additional Indebtedness (other than Permitted Debt) pursuant to the covenant described under Incurrence of Indebtedness and Issuance of Preferred Stock or (b) have a Fixed Charge Coverage Ratio that is greater than the Fixed Charge Coverage Ratio of the Company immediately prior to such consolidation, merger, sale, assignment, transfer, conveyance or other disposition; *provided, however,* that this clause (3) shall not apply during any Suspension Period;

(4) immediately after giving effect to such transaction or series of transactions and the assumption contemplated by clause (2) above (including, without limitation, giving effect to any Indebtedness and Acquired Debt, in each case, incurred or anticipated to be incurred and any Lien granted in connection with or in respect of such transaction), no Default or Event of Default shall have occurred and be continuing; and

(5) the Company or the Surviving Entity, as the case may be, shall have delivered to the Trustee an officers certificate and an Opinion of Counsel, each stating that such consolidation, merger, sale, assignment, transfer, lease, conveyance or other disposition and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture, complies with the applicable provisions of the Indenture, that all conditions precedent in the Indenture relating to such transaction have been satisfied and an Opinion of Counsel stating that the Notes and the Indenture constitute valid and binding obligations of the Company or Surviving Entity, as applicable, subject to customary exceptions.

Notwithstanding the foregoing, the merger of the Company with an Affiliate incorporated solely for the purpose of reincorporating the Company in another jurisdiction shall be permitted without regard to clause (3) of the immediately preceding paragraph. For purposes of the foregoing, the transfer (by lease, assignment, sale or otherwise, in a single transaction or series of transactions) of all or substantially all of the properties or assets of one or more Restricted Subsidiaries of the Company the Capital Stock of which constitutes all or substantially all of the properties and assets of the Company, shall be deemed to be the transfer of all or substantially all of the properties and assets of the Company.

The Indenture provides that upon any consolidation or merger of the Company or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the assets of the Company in accordance with the foregoing in which the Company is not the continuing corporation, the Surviving Entity formed by such consolidation or into which the Company is merged or to which such sale, assignment, transfer, lease, conveyance or other disposition is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under the Indenture and the Notes with the same effect as if such Surviving Entity had been named as such; *provided*, *however*, that the Company shall not be released from its obligations under the Indenture or the Notes in the case of a lease.

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(b) Each Guarantor will not, and the Company will not cause or permit any Guarantor to, directly or indirectly, in a single transaction or series of related transactions, consolidate or merge with or into any Person other than the Company or any other Guarantor unless:

(1) if the Guarantor was a corporation or limited liability company under the laws of the United States, any State thereof or the District of Columbia, the entity formed by or surviving any such consolidation or merger (if other than the Guarantor) is a corporation or limited liability company organized and existing under the laws of the United States, any State thereof or the District of Columbia;

(2) such entity assumes by supplemental indenture all of the obligations of the Guarantor under its Subsidiary Guarantee;

(3) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing; and

(4) immediately after giving effect to such transaction and the use of any net proceeds therefrom on a pro forma basis, the Company could satisfy the provisions of clause (a)(3) of this covenant.

The Company shall deliver, or cause to be delivered, to the trustee an officers certificate and an Opinion of Counsel, each to the effect that such consolidation, merger, sale, conveyance, assignment, transfer, lease or other disposition complies with the requirements of the Indenture, and an Opinion of Counsel stating that the Indenture and Subsidiary Guarantees constitute valid and binding obligations of the Guarantor or surviving entity, as applicable, subject to customary exceptions.

Notwithstanding the foregoing, the requirements of the immediately preceding paragraph will not apply to any transaction pursuant to which such Guarantor is permitted to be released from its Subsidiary Guarantee in accordance with the provisions described under the last paragraph of Brief Description of the Notes and the Guarantees The Subsidiary Guarantees.

Transactions with Affiliates

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Company or any of its Restricted Subsidiaries (each, an *Affiliate Transaction*), unless:

(1) such Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction at such time by the Company or such Restricted Subsidiary with a Person who is not an Affiliate of the Company or such Restricted Subsidiary; and

(2) the Company delivers to the Trustee:

(a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $10.0 million, a resolution of the Board of Directors set forth in an officers certificate certifying that such Affiliate Transaction complies with this covenant and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors; and

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(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $20.0 million, an opinion as to the fairness to the Company or the relevant Restricted Subsidiary of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of national standing.

The following items shall not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of the prior paragraph:

(1) transactions between or among the Company and/or its Restricted Subsidiaries or exclusively between or among such Restricted Subsidiaries;

(2) Restricted Payments that are permitted by the provisions of the Indenture described above under the caption Restricted Payments;

(3) reasonable fees and compensation paid to (including issuances and grants of Equity Interests of the Company, employment agreements and stock option and ownership plans for the benefit of), and indemnity and insurance provided on behalf of, officers, directors, employees or consultants of the Company or any Restricted Subsidiary in the ordinary course of business as approved in good faith by the Company s Board of Directors or senior management;

(4) transactions pursuant to any agreement in effect on the Issue Date and disclosed in this prospectus supplement (including by incorporation by reference), as in effect on the Issue Date or as thereafter amended or replaced in any manner, that, taken as a whole, is not more disadvantageous to the Holders or the Company in any material respect than such agreement as it was in effect on the Issue Date;

(5) loans or advances to employees and officers of the Company and its Restricted Subsidiaries permitted by clause (8) of the definition of Permitted Investments.

(6) any transaction or series of transactions between the Company or any Restricted Subsidiary and any of their joint ventures; *provided* that (a) such transaction or series of transactions is in the ordinary course of business between the Company or such Restricted Subsidiary and such joint venture and (b) with respect to any such Affiliate Transaction involving aggregate consideration in excess of $10.0 million, such Affiliate Transaction complies with clause (1) under this Transactions with Affiliates section and such Affiliate Transaction has been approved by the Board of Directors of the Company;

(7) any service, purchase, lease, supply or similar agreement entered into in the ordinary course of business (including, without limitation, pursuant to any joint venture agreement) between the Company or any Restricted Subsidiary and any Affiliate that is a customer, client, supplier, purchaser or seller of goods or services, so long as the senior management or Board of Directors of the Company determines in good faith that any such agreement is on terms no less favorable to the Company or such Restricted Subsidiary than those that could be obtained in a comparable arms -length transaction with an entity that is not an Affiliate;

(8) the issuance and sale of Qualified Capital Stock; or

(9) any transaction effected in connection with a Qualified Receivables Transaction.

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Additional Subsidiary Guarantees

In the event that any Domestic Subsidiary (i) guarantees or becomes a borrower under the Credit Agreement or (ii) guarantees any other Indebtedness of the Company or any of its Restricted Subsidiaries with a principal amount in excess of $20.0 million, the Company shall cause such Domestic Subsidiary to simultaneously become a Guarantor of the Notes and to:

(i) execute and deliver to the Trustee (a) a supplemental indenture in form and substance satisfactory to the Trustee pursuant to which such Restricted Subsidiary shall unconditionally Guarantee all of the Company s obligations under the Notes and the Indenture and (b) a notation of Guarantee in respect of its Subsidiary Guarantee; and

(ii) deliver to the Trustee one or more Opinions of Counsel that such supplemental indenture (a) has been duly authorized, executed and delivered by such Restricted Subsidiary and (b) constitutes a valid and legally binding obligation of such Restricted Subsidiary in accordance with its terms.

Limitation on Sale and Leaseback Transactions

The Company shall not, and shall not permit any of its Restricted Subsidiaries to, enter into any Sale and Leaseback Transaction unless:

(1) the Company or such Restricted Subsidiary would be entitled to:

(a) incur Indebtedness in an amount equal to the Attributable Indebtedness with respect to such Sale and Leaseback Transaction under the Fixed Charge Coverage Ratio test in the first paragraph of the covenant described under Incurrence of Indebtedness and Issuance of Preferred Stock; and

(b) create a Lien on such property securing such Attributable Indebtedness without also securing the Notes or the applicable Subsidiary Guarantee pursuant to the covenant described under Liens;

(2) the gross cash proceeds of such Sale and Leaseback Transaction are at least equal to the fair market value, as determined in good faith by the Board of Directors of the Company and set forth in an officers certificate delivered to the Trustee, of the property that is the subject of such Sale and Leaseback Transaction; and

(3) such Sale and Leaseback Transaction is effected in compliance with the covenant described under Repurchase at the Option of Holders Offer to Repurchase by Application of Excess Proceeds of Asset Sales.

Payments for Consent

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder of Notes for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Notes unless such consideration is offered to be paid and is paid to all Holders of the Notes that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or amendment.

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Reports

Whether or not required by the SEC, so long as any Notes are outstanding, the Company will furnish to the Holders of Notes and the Trustee, within the time periods specified in the SEC s rules and regulations for a company subject to reporting under Section 13(a) or 15(d) of the Exchange Act:

(1) all quarterly and annual financial information and other information that would be required to be contained in a filing with the SEC on Forms 10-Q and 10-K if the Company were required to file such Forms, including a Management s Discussion and Analysis of Financial Condition and Results of Operations and, with respect to the annual information only, a report on the annual financial statements by the Company s certified independent accountants; and

(2) all current reports that would be required to be filed with the SEC on Form 8-K if the Company were required to file such reports.

In addition, whether or not required by the SEC, the Company will file a copy of all of the information and reports referred to in clauses (1) and (2) above with the SEC for public availability within the time periods specified in the SEC s rules and regulations for a company subject to reporting under Section 13(a) or 15(d) of the Exchange Act (unless the SEC will not accept such a filing) and make such information available to securities analysts and prospective investors upon request. Notwithstanding the foregoing, to the extent the Company files the information and reports referred to in clauses (1) and (2) above with the SEC and such information is publicly available on the Internet, the Company shall be deemed to be in compliance with its obligations to furnish such information to the Holders of the Notes and to make such information available to securities analysts and prospective investors. The Company agrees that it will not take any action for the purpose of causing the SEC not to accept any such filings. If, notwithstanding the foregoing, the SEC will not accept the Company s filings for any reason, the Company will post the reports referred to in the preceding paragraphs on its website within the time periods that would apply if the Company were required to file those reports with the SEC.

In addition, for so long as any Notes remain outstanding, the Company and the Guarantors will furnish to the Holders and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Events of Default and Remedies

Each of the following is an Event of Default:

(1) default for 30 days in the payment when due of interest on the Notes;

(2) default in payment when due of the principal of or premium, if any, on the Notes (including default in payment when due in connection with the purchase of Notes tendered pursuant to a Change of Control Offer or Net Proceeds Offer on the date specified for such payment in the applicable offer to purchase);

(3) failure by the Company or any of its Restricted Subsidiaries to comply with the provisions described under Certain Covenants Merger, Consolidation or Sale of Assets;

(4) a default in the observance or performance of any other covenant or agreement contained in the Indenture or the Notes which default continues for a period of 60 days after the Company receives written notice specifying the default (and demanding that such default be remedied) from the Trustee or the Holders (with a copy to the Trustee) of at least

25% of the outstanding principal amount of the Notes;

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(5) a default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Company or any Restricted Subsidiary of the Company (or the payment of which is Guaranteed by the Company or any Restricted Subsidiary of the Company) whether such Indebtedness or Guarantee now exists, or is created after the Issue Date, if that default:

(a) is caused by a failure to pay principal of, or interest or premium, if any, on such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a *Payment Default*); or

(b) results in the acceleration of such Indebtedness prior to express maturity; and

(c) in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $25.0 million, or more;

(6) one or more judgments in an aggregate amount in excess of $25.0 million (to the extent not covered by independent third-party insurance as to which the insurer has not disclaimed coverage) shall have been rendered against the Company or any of its Restricted Subsidiaries and such judgments remain undischarged, unpaid or unstayed for a period of 60 days after such judgment or judgments become final and nonappealable;

(7) except as permitted by the Indenture, any Subsidiary Guarantee shall be held in any judicial proceeding to be unenforceable or invalid or shall cease for any reason to be in full force and effect or any Guarantor, or any Person acting on behalf of any Guarantor, shall deny or disaffirm its Obligations under its Subsidiary Guarantee; or

(8) certain events of bankruptcy or insolvency with respect to the Company or any of its Restricted Subsidiaries (or group of Restricted Subsidiaries) that is a Significant Subsidiary.

If an Event of Default (other than an Event of Default specified in clause (8) above with respect to the Company) shall have occurred and be continuing under the Indenture, the Trustee, by written notice to the Company, or the Holders of at least 25% in aggregate principal amount of the Notes then outstanding by written notice to the Company and the Trustee, may declare all amounts owing under the Notes to be due and payable. Upon such declaration of acceleration, the aggregate principal of and accrued and unpaid interest on the outstanding Notes shall immediately become due and payable.

If an Event of Default specified in clause (8) above occurs and is continuing with respect to the Company, then all unpaid principal of, and premium, if any, and accrued and unpaid interest on all of the outstanding Notes shall ipso facto become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.

The Indenture will provide that, at any time after a declaration of acceleration with respect to the Notes as described in the two preceding paragraphs, the Holders of a majority in principal amount of the Notes may rescind and cancel such declaration and its consequences:

(1) if the rescission would not conflict with any judgment or decree;

(2) if all existing Events of Default have been cured or waived except nonpayment of principal or interest that has become due solely because of the acceleration;

(3) to the extent the payment of such interest is lawful, interest on overdue installments of interest and overdue principal, which has become due otherwise than by such declaration of acceleration, has been paid; and

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(4) if we have paid the Trustee its reasonable compensation and reimbursed the Trustee for its expenses, disbursements and advances.

No such rescission shall affect any subsequent Default or impair any right consequent thereto.

The Holders of a majority in principal amount of the Notes may waive any existing Default or Event of Default under the Indenture, and its consequences, except a default in the payment of the principal of or interest on any Notes.

Subject to the provisions of the Indenture relating to the duties of the Trustee, the Trustee is under no obligation to exercise any of its rights or powers under the Indenture at the request, order or direction of any of the Holders, unless such Holders have offered to the Trustee indemnity satisfactory to it. Subject to all provisions of the Indenture and applicable law, the Holders of a majority in aggregate principal amount of the then outstanding Notes have the right to 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 single Holder will have any right to institute any proceeding with respect to the Indenture or any remedy thereunder, unless (1) such Holder has notified the Trustee of a continuing Event of Default; (2) the Holders of at least 25% in aggregate principal amount of the outstanding Notes have made written request, and offered such reasonable indemnity as the Trustee may require, to the Trustee to institute such proceeding; (3) the Trustee has failed to institute such proceeding within 60 days after receipt of such notice and the Trustee; and (4) within such 60-day period, the Trustee has not received directions inconsistent with such written request by Holders of a majority in aggregate principal amount of the outstanding Notes. Such limitations will not apply, however, to a suit instituted by the Holder of a Note for the enforcement of the payment of the principal of, premium, if any, or interest on such Note on or after the respective due dates therefor.

Under the Indenture, we will be required to provide an officers certificate to the Trustee promptly upon any such officer obtaining knowledge of any Default or Event of Default that has occurred and, if applicable, describe such Default or Event of Default and the status thereof; *provided* that such officers shall provide such certification at least annually whether or not they know of any Default or Event of Default.

No Personal Liability of Directors, Officers, Employees and Stockholders

No past, present or future director, officer, employee, incorporator or stockholder of the Company or any Guarantor, as such, shall have any liability for any obligations of the Company or the Guarantors under the Notes, the Indenture or the Subsidiary Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

Legal Defeasance and Covenant Defeasance

The Company may, at its option and at any time, elect to have all of its obligations discharged with respect to the outstanding Notes and all obligations of the Guarantors discharged with respect to their Subsidiary Guarantees (*Legal Defeasance*) except for:

(1) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, premium, if any, and interest on such Notes when such payments are due from the trust referred to below;

(2) the Company s obligations with respect to the Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for

security payments held in trust;

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(3) the rights, powers, trusts, duties and immunities of the Trustee, and the Company s obligations in connection therewith; and

(4) the Legal Defeasance provisions of the Indenture.

In addition, the Company may, at its option and at any time, elect to have the obligations of the Company and the Guarantors released with respect to certain covenants that are described in the Indenture (*Covenant Defeasance*) and thereafter any omission to comply with those covenants shall not constitute a Default or Event of Default with respect to the Notes. In the event Covenant Defeasance occurs, certain events (not including non-payment, bankruptcy, receivership, rehabilitation and insolvency events) described under Events of Default and Remedies will no longer constitute an Event of Default with respect to the Notes.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Company must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders of the Notes, cash in U.S. dollars, U.S. Government Obligations, or a combination thereof, in such amounts as will be sufficient (without consideration of any reinvestment of interest), in the opinion of a nationally recognized firm of independent public accountants delivered to the Trustee, to pay the principal of, premium, if any, and interest on the outstanding Notes on the Stated Maturity or on the applicable redemption date, as the case may be, and the Company must specify whether the Notes are being defeased to maturity or to a particular redemption date;

(2) in the case of Legal Defeasance, the Company shall have delivered to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that (a) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (b) since the Issue Date, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Company shall have delivered to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that the Holders of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default shall have occurred and be continuing either: (a) on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit); or (b) insofar as Events of Default from bankruptcy or insolvency events are concerned, at any time in the period ending on the 91st day after the date of deposit;

(5) (such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under the Indenture or any material agreement or instrument to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries is bound (other than any such default under the Indenture resulting solely from the borrowing of funds to be applied to such deposit);

(6) the Company must have delivered to the Trustee an Opinion of Counsel to the effect that after the 91st day following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors rights generally;

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(7) the Company must deliver to the Trustee an officers certificate stating that the deposit was not made by the Company with the intent of preferring the Holders of Notes over the other creditors of the Company with the intent of defeating, hindering, delaying or defrauding creditors of the Company or others; and

(8) the Company must deliver to the Trustee an officers certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect (except as to surviving rights of registration of transfer or exchange of the Notes, as expressly provided for in the Indenture) as to all outstanding Notes when either:

(1) either:

(a) all the Notes theretofore authenticated and delivered (except lost, stolen or destroyed Notes which have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from their trust as provided in the Indenture) have been delivered to the Trustee for cancellation, or

(b) all the Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the sending of a notice of redemption or otherwise or will become due and payable with one year; and the Company or any Guarantor has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars, non-callable U.S. Government Obligations or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants delivered to the Trustee, without consideration of any reinvestment of interest to pay and discharge the entire Indebtedness (including all principal and accrued interest) on the Notes not theretofore delivered to the Trustee for cancellation for principal, premium, if any, and accrued interest to the date of maturity or redemption, as the case may be;

(2) no Default or Event of Default shall have occurred and be continuing on the date of such deposit or shall occur as a result of such deposit and such deposit will not result in a breach or violation of or default under any other instrument to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound;

(3) the Company or any Guarantor has paid or caused to be paid all other sums payable under the Indenture; and

(4) the Company has delivered irrevocable instructions to the Trustee to apply such funds to the payment of the Notes at maturity or redemption, as the case may be.

The Company shall have delivered to the Trustee an Opinion of Counsel confirming that the Holders of the outstanding Notes will not recognize income, gain or loss, for U.S. federal income tax purposes as a result of such satisfaction and discharge and will be subject to tax on the same amounts and at the same times as would have been the case if such satisfaction and discharge had not occurred. In addition, the Company must deliver to the Trustee an officers certificate and an Opinion of Counsel stating that all conditions precedent under the Indenture relating to the satisfaction and discharge of the Indenture have been complied with.

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Amendment, Supplement and Waiver

Except as provided in the next two succeeding paragraphs, the Indenture, the Notes and the Subsidiary Guarantees may be amended or supplemented with the consent of the Holders of at least a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes) and, subject to certain exceptions, any past Default or compliance with any provisions may be waived with the consent of the Holders of at least a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes).

Without the consent of each Holder affected, an amendment or waiver may not (with respect to any Notes held by a non-consenting Holder):

(1) reduce the principal amount of Notes the Holders of which must consent to an amendment, supplement or waiver, including the waiver of Defaults or Events of Default, or to a rescission and cancellation of a declaration of acceleration of the Notes;

(2) reduce the rate of or change or have the effect of changing the time for payment of interest, including defaulted interest, on any Notes;

(3) reduce the principal of or change or have the effect of changing the fixed maturity of any Notes or alter or waive the provisions with respect to the redemption of the Notes (other than provisions relating to the covenants described above under the caption Repurchase at the Option of the Holders);

(4) make any Notes payable in money other than that stated in the Notes;

(5) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of Holders to receive payment of principal of, or interest or premium, if any, on the Notes on or after the due date thereof or to bring suit to enforce such payment;

(6) change the price payable by the Company for Notes repurchased pursuant to the provisions described above under Repurchase at the Option of the Holders Offer to Repurchase upon Change of Control and Repurchase at the Option of the Holders Offer to Repurchase by Application of Excess Proceeds of Asset Sales or, after the occurrence of a Change of Control, modify or change in any material respect the obligation of the Company to make and consummate a Change of Control Offer or modify any of the provisions or definitions with respect thereto;

(7) waive a Default or Event of Default in the payment of principal of, or interest or premium on, the Notes; *provided* that this clause (7) shall not limit the right of the Holders of at least a majority in aggregate principal amount of the outstanding Notes to rescind and cancel a declaration of acceleration of the Notes following delivery of an acceleration notice as described above under Events of Default and Remedies;

(8) release any Guarantor from any of its obligations under its Subsidiary Guarantee or the Indenture, except as permitted by the Indenture;

(9) contractually subordinate the Notes or the Subsidiary Guarantees to any other Indebtedness; or

(10) make any change in the preceding amendment and waiver provisions.

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Notwithstanding the preceding, without the consent of any Holder of Notes, the Company, the Guarantors and the Trustee may amend or supplement the Indenture or the Notes:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated Notes in addition to or in place of certificated Notes;

(3) to provide for the assumption of the Company s or any Guarantor s obligations to Holders of Notes in the case of a merger or consolidation or sale of all or substantially all of the Company s or any Guarantor s assets;

(4) to make any change that would provide any additional rights or benefits to the Holders of Notes or that does not adversely affect the legal rights under the Indenture of any such Holder;

(5) to add any Person as a Guarantor;

(6) to comply with any requirements of the SEC in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act;

(7) to remove a Guarantor which, in accordance with the terms of the Indenture, ceases to be liable in respect of its Subsidiary Guarantee;

(8) to evidence and provide for the acceptance of appointment under the Indenture by a successor Trustee;

(9) to secure all of the Notes;

(10) to add to the covenants of the Company or any Guarantor for the benefit of the Holders or to surrender any right or power conferred upon the Company or any Guarantor;

(11) to conform the text of the Indenture, the Notes or the Subsidiary Guarantees to any provision of this Description of the Notes to the extent that such provision in the Description of the Notes was intended to be a verbatim recitation of a provision in the Indenture, the Notes or the Subsidiary Guarantees, as set forth in an officers certificate;

(12) to provide for the issuance of additional Notes in accordance with the limitations set forth in the Indenture as of the date of the Indenture; and

(13) to comply with the provisions of The Depository Trust Company or the Trustee with respect to the provisions in the Indenture and the Notes relating to transfers and exchanges of Notes or beneficial interests in Notes.

The consent of the Holders is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment. A consent to any amendment or waiver under the Indenture by any Holder of Notes given in connection with a tender of such Holder s Notes will not be rendered invalid by such tender. After an amendment under the Indenture becomes effective, the Company is required to send to the Holders a notice briefly describing such amendment. However, the failure to give such notice to all of the Holders, or any defect in the notice, will not impair or affect the validity of the amendment.

Concerning the Trustee

The Indenture provides that, except during the continuance of an Event of Default, the Trustee will perform only such duties as are specifically set forth in the Indenture. During the existence of an Event of

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Default, the Trustee will exercise such rights and powers vested in it by the Indenture, and use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request or direction of any Holder of Notes, unless such Holder shall have offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

The Indenture and the provisions of the Trust Indenture Act contain certain limitations on the rights of the Trustee, should it become a creditor of the Company, to obtain payments of claims in certain cases or to realize on certain property received in respect of any such claim as security or otherwise. Subject to the Trust Indenture Act, the Trustee will be permitted to engage in other transactions; *provided* that if the Trustee acquires any conflicting interest as described in the Trust Indenture Act, it must eliminate such conflict within 90 days, apply to the SEC for permission to continue or resign.

Governing Law; Jury Trial Waiver

The Indenture provides that it and the Notes will be governed by, and construed in accordance with, the laws of the State of New York. The indenture provides that the Company, the Guarantors and the Trustee, and each holder of a Note by its acceptance thereof, irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to the Indenture, the Notes or any transaction contemplated thereby.

Certain Definitions

Set forth below are certain defined terms used in the Indenture. Reference is made to the Indenture for a full disclosure of all such terms, as well as any other capitalized terms used herein for which no definition is provided.

Acquired Debt means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Subsidiary of, such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

Additional Notes means notes, if any, issued under the Indenture after the Issue Date and forming a single class of securities with the Notes.

Affiliate of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, control, as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms controlling, controlled by and under common control with shall have correlative meanings.

Asset Sale means:

(1) the sale, lease, conveyance or other disposition of any assets or rights, including by means of a Sale and Leaseback Transaction, but other than sales of inventory in the ordinary course of business consistent with past practices;

provided that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Company and its Restricted Subsidiaries taken as a whole will be governed by the provisions of the Indenture described above under the caption Repurchase at the

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Option of the Holders Offer to Repurchase upon Change of Control and/or the provisions described above under the caption Certain Covenants Merger, Consolidation or Sale of Assets and not by the provisions of the Repurchase at the Option of the Holders Offer to Repurchase by Application of Excess Proceeds of Asset Sales covenant; and

(2) the issuance or sale of Equity Interests in any of the Company s Restricted Subsidiaries or the sale of Equity Interests in any of its Subsidiaries.

Notwithstanding the preceding, the following items shall not be deemed to be Asset Sales:

(1) any single transaction or series of related transactions that: (a) involves assets having an aggregate fair market value of less than $15.0 million; or (b) results in aggregate net proceeds to the Company and its Subsidiaries of less than $15.0 million;

(2) a transfer of assets (a) between or among the Company and its Wholly Owned Restricted Subsidiaries, (b) by a Restricted Subsidiary to the Company or any of its Wholly Owned Restricted Subsidiaries or (c) by the Company or any of its Wholly Owned Restricted Subsidiaries to any Restricted Subsidiary of the Company that is not a Wholly Owned Restricted Subsidiary if, in the case of this clause (c), the Company or the Wholly Owned Restricted Subsidiary, as the case may be, either retains title to or ownership of the assets being transferred or receives consideration at the time of such transfer at least equal to the fair market value of the transferred assets;

(3) an issuance of Equity Interests by a Restricted Subsidiary to the Company or to a Wholly Owned Restricted Subsidiary;

(4) any Permitted Investment or any Restricted Payment that is permitted by the covenant described above under the caption Certain Covenants Restricted Payments;

(5) a disposition of products, services, equipment or inventory in the ordinary course of business or a disposition of obsolete equipment or equipment that is no longer useful in the conduct of the business of the Company and its Restricted Subsidiaries and that is disposed of in the ordinary course of business;

(6) the grant of Liens (or foreclosure thereon) permitted by the covenant described under Certain Covenants Liens;

(7) the sale or transfer of Receivables Program Assets or rights therein in connection with a Qualified Receivables Transaction;

(8) the surrender or waiver of contractual rights or the settlement, release or surrender of contract, tort or other litigation claim in the ordinary course of business;

(9) the sale or other disposition of cash or Cash Equivalents in the ordinary course of business;

(10) grants of licenses or sublicenses of intellectual property of the Company or any of its Restricted Subsidiaries to the extent not materially interfering with the business of the Company and its Restricted Subsidiaries;

(11) any exchange of like-kind property pursuant to Section 1031 of the Code that are used or useful in a Permitted Business;

(12) the lease, assignment or sublease of any real or personal property in the ordinary course of business; and

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(13) the abandonment of intellectual property rights in the ordinary course of business, which in the reasonable good faith determination of the Company or any of its Restricted Subsidiaries are not material to the conduct of the business of the Company and its Restricted Subsidiaries taken as a whole.

Attributable Indebtedness , when used with respect to any Sale and Leaseback Transaction, means, as at the time of determination, the present value of the total Obligations of the lessee for rental payments during the remaining term of the lease included in any such Sale and Leaseback Transaction, including any period for which such lease has been extended or may, at the option of the lessor, be extended. Such present value shall be calculated using a discount rate equal to the rate implicit in such transaction, determined in accordance with GAAP; *provided*, *however*, that if such Sale and Leaseback Transaction results in a Capital Lease Obligation, the amount of Indebtedness represented thereby will be determine in accordance with the definition of Capital Lease Obligation.

Beneficial Owner has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular person (as such term is used in Section 13(d)(3) of the Exchange Act), such person shall be deemed to have beneficial ownership of all securities that such person has the right to acquire, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition.

Board of Directors means:

(1) with respect to a corporation, the Board of Directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members or managers thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

Board Resolution means, with respect to any Person, a copy of a resolution certified by the Secretary or an Assistant Secretary of such Person to have been duly adopted by the Board of Directors of such Person and to be in full force and effect on the date of such certification, and delivered to the Trustee.

Borrowing Base means as of any date, an amount, determined on a consolidated basis and in accordance with GAAP, equal to the sum of (i) 70% of the aggregate book value of inventory plus (ii) 85% of the aggregate book value of all accounts receivable (net of bad debt reserves) of the Company and its Restricted Subsidiaries. To the extent that information is not available as to the amount of inventory or accounts receivable as of a specific date, the Company shall use the most recent available information for purposes of calculating the Borrowing Base.

Business Day means a day other than a Saturday, Sunday or other day on which banking institutions in New York are authorized or required by law to close.

Capital Lease Obligation means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet in accordance with GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

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Capital Stock means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

Cash Equivalents means:

(a) marketable direct Obligations issued by, or unconditionally guaranteed by, the United States government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one year from the date of acquisition;

(b) certificates of deposit, time deposits, eurodollar time deposits or overnight bank deposits having maturities of one year or less from the date of acquisition issued by any commercial bank organized under the laws of the United States or any state thereof having combined capital and surplus of not less than $500,000,000 and a Thomson Bank Watch Rating of B or better;

(c) commercial paper of an issuer rated at least A-1 by S&P or P-1 by Moody s, or carrying an equivalent rating by a nationally recognized rating agency if both of the two named rating agencies cease publishing ratings of commercial paper issuers generally, and maturing within one year from the date of acquisition;

(d) repurchase obligations of any commercial bank satisfying the requirements of clause (b) of this definition, having a term of not more than 7 days, with respect to securities of the type described in clause (a) of this definition;

(e) securities with maturities of one year or less from the date of acquisition issued or fully Guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory, the securities of which state, commonwealth, territory, political subdivision or taxing authority (as the case may be) are rated at least A by S&P or A by Moody s; or

(f) money market mutual or similar funds that invest at least 95% of their assets in securities satisfying the requirements of clauses (a) through (e) of this definition.

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

(1) the sale, lease, 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 the assets of the Company and its Restricted Subsidiaries taken as a whole to any person (as such term is used in Section 13(d)(3) of the Exchange Act);

(2) the adoption of a plan relating to the liquidation or dissolution of the Company;

(3) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any person (as defined above) becomes the Beneficial Owner, directly or indirectly, of 50% or more of the Voting Stock of the Company, measured by voting power rather than number of shares;

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(4) the first day on which a majority of the members of the Board of Directors of the Company are not Continuing Directors; or

(5) the Company consolidates or merges with or into another Person, other than a merger or consolidation of the Company in which the holders of the Voting Stock of the Company outstanding immediately prior to the consolidation or merger hold, directly or indirectly, at least a majority of the Voting Stock of the surviving corporation immediately after such consolidation or merger.

Common Stock means with respect to any Person, any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or nonvoting) of such Person s common stock whether or not outstanding on the Issue Date, and includes, without limitation, all series and classes of such common stock.

Consolidated Cash Flow means, with respect to any Person for any period, the Consolidated Net Income of such Person for such period plus, without duplication:

(1) an amount equal to any extraordinary loss plus any net loss realized by such Person or any of its Restricted Subsidiaries in connection with an Asset Sale, to the extent losses were deducted in computing such Consolidated Net Income; plus

(2) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; plus

(3) consolidated net interest expense of such Person and its Restricted Subsidiaries for such period whether paid or accrued and whether or not capitalized (including, without limitation, amortization of original issue discount, non-cash interest payments, the interest component of any deferred payment Obligations, the interest component of all payments associated with Capital Lease Obligations, imputed interest with respect to Attributable Indebtedness, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers acceptance financings, and net payments, if any, pursuant to Hedging Obligations, but excluding amortization of debt issuance costs), to the extent that any such expense was deducted in computing such Consolidated Net Income; plus

(4) depreciation, amortization (including amortization of goodwill and other intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) and other non-cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period and any non-cash charge, expense or loss relating to write-offs, write-downs or reserves with respect to accounts receivable or inventory) of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing such Consolidated Net Income; minus

(5) non-cash items increasing such Consolidated Net Income for such period, other than items that were accrued in the ordinary course of business, in each case, on a consolidated basis for such Person and its Restricted Subsidiaries and determined in accordance with GAAP.

Notwithstanding the preceding, the provision for taxes based on the income or profits of, and the depreciation and amortization and other non-cash charges of, a Restricted Subsidiary of the Company shall be added to Consolidated Net Income to compute Consolidated Cash Flow of the Company only to the extent that a corresponding amount would be permitted at the date of determination to be dividended to the Company by such Restricted Subsidiary without prior approval (that has not been obtained), pursuant to the terms of its charter and all agreements, instruments, judgments, decrees, orders, statutes, rules and governmental regulations applicable to that Subsidiary or

its stockholders.

Consolidated Net Income means, with respect to any specified Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP; *provided* that:

(1) the Net Income (but not loss) of any Person that is accounted for by the equity method of accounting or is not a Restricted Subsidiary shall be included only to the extent of the amount of dividends or distributions paid in cash to the specified Person or a Restricted Subsidiary thereof;

(2) the Net Income of any Restricted Subsidiary shall be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that Net Income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders;

(3) the Net Income (but not loss) of any Unrestricted Subsidiary shall be excluded, whether or not distributed to the specified Person or one of its Subsidiaries;

(4) the cumulative effect of a change in accounting principles shall be excluded;

(5) income or loss attributable to discontinued operations (including, without limitation, operations disposed of during such period whether or not such operations were classified as discontinued) shall be excluded; and

(6) in the case of a successor to the referent Person by consolidation or merger or as a transferee of the referent Person s assets, any earnings of the successor corporation prior to such consolidation, merger or transfer of assets shall be excluded.

Consolidated Senior Secured Leverage Ratio means, with respect to any specified Person for any period, the ratio of (i) Senior Secured Indebtedness of such Person on such date to (ii) Consolidated Cash Flow for the period of four consecutive fiscal quarters for which internal financial statements are available immediately preceding the date of the event for which the calculation of the Consolidated Senior Secured Leverage Ratio is made (for purposes of this definition, the *Consolidated Senior Secured Leverage Ratio Reference Period*). In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, Guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems preferred stock, in each case, subsequent to the commencement of the Consolidated Senior Secured Leverage Ratio Reference Period and on or prior to the date of the event for which the calculation of the Consolidated Senior Secured Leverage Ratio is made (for purposes of this definition, the *Consolidated Senior Secured Leverage Ratio Calculation Date*), then the Consolidated Senior Secured Leverage Ratio shall be calculated giving pro forma effect to such incurrence, assumption, Guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the Consolidated Senior Secured Leverage Ratio Reference Period.

In addition, for purposes of calculating the Consolidated Senior Secured Leverage Ratio:

(1) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Restricted Subsidiaries acquired by the specified Person or any of its Restricted Subsidiaries, and including any related financing transactions, after the first day of the Consolidated Senior Secured Leverage Ratio Reference Period and on or prior to the Consolidated Senior Secured Leverage Ratio Calculation Date shall be deemed to have occurred on the first day of the Consolidated Senior Secured Leverage Ratio

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Reference Period and Consolidated Cash Flow for the Consolidated Senior Secured Leverage Ratio Reference Period shall be calculated without giving effect to clause (3) of the proviso set forth in the definition of Consolidated Net Income;

(2) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with GAAP, shall be excluded; and

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to the Consolidated Senior Secured Leverage Ratio Calculation Date, shall be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the specified Person or any of its Restricted Subsidiaries following the Consolidated Senior Secured Leverage Ratio Calculation Date.

Consolidated Tangible Assets means, with respect to any specified Person as of any date of determination, the Consolidated Total Assets of such Person and its Restricted Subsidiaries on that date minus the Intangible Assets of such Person and its Restricted Subsidiaries on that date.

Consolidated Total Assets means, with respect to any specified Person as of any date of determination, the net book value of all assets of such Person and its Restricted Subsidiaries on such date determined on a consolidated basis in accordance with GAAP.

Consolidated Total Leverage Ratio means, with respect to any specified Person for any period, the ratio of (i) Total Indebtedness of such Person on such date to (ii) Consolidated Cash Flow for the period of four consecutive fiscal quarters for which internal financial statements are available immediately preceding the date of the event for which the calculation of the Consolidated Total Leverage Ratio is made (for purposes of this definition, the *Consolidated Total Leverage Ratio Reference Period*). In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, Guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems preferred stock, in each case, subsequent to the commencement of the Consolidated Total Leverage Ratio Reference Period and on or prior to the date of the event for which the calculation of the Consolidated Total Leverage Ratio is made (for purposes of this definition, the *Consolidated Total Leverage Ratio Calculation Date*), then the Consolidated Total Leverage Ratio shall be calculated giving pro forma effect to such incurrence, assumption, Guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the Consolidated Total Leverage Ratio Reference Period.

In addition, for purposes of calculating the Consolidated Total Leverage Ratio:

(1) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Restricted Subsidiaries acquired by the specified Person or any of its Restricted Subsidiaries, and including any related financing transactions, after the first day of the Consolidated Total Leverage Ratio Reference Period and on or prior to the Consolidated Total Leverage Ratio Calculation Date shall be deemed to have occurred on the first day of the Consolidated Total Leverage Ratio Reference Period and Consolidated Cash Flow for the Consolidated Total Leverage Ratio Reference Period shall be calculated without giving effect to clause (3) of the proviso set forth in the definition of Consolidated Net Income;

(2) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with GAAP, shall be excluded; and

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to the Consolidated Total Leverage Ratio

Calculation Date, shall be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the specified Person or any of its Restricted Subsidiaries following the Consolidated Total Leverage Ratio Calculation Date.

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

(1) was a member of such Board of Directors on the date of the Indenture; or

(2) was nominated for election or elected to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination or election.

Credit Agreement means that certain Amended and Restated Credit Agreement, dated as of October 27, 2010 (as amended), by and among the Company and the banks and other financial institutions from time to time parties thereto as agents and lenders, and any related notes, guarantees, collateral documents, instruments and agreements executed in connection therewith, and in each case as amended, modified, renewed, refunded, replaced or refinanced from time to time.

Credit Facility means, with respect to the Company or any of its Restricted Subsidiaries:

(1) the Credit Agreement; and

(2) one or more debt facilities (which may be outstanding at the same time) or other financing arrangements (including, without limitation, commercial paper facilities or indentures) providing for revolving credit loans, term loans, letters of credit or other long-term indebtedness, including any notes, mortgages, guarantees, collateral documents, instruments and agreements executed in connection therewith, and, in each case, any amendments, supplements, modifications, extensions, renewals, restatements or refundings thereof and any indentures or credit facilities or commercial paper facilities that replace, refund or refinance any part of the loans, notes, other credit facilities or commitments thereunder, including any such replacement, refunding or refinancing facility or indenture that increases the amount permitted to be borrowed thereunder (provided that such increase in borrowings is permitted under Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock) or alters the maturity thereof or adds Restricted Subsidiaries as additional borrowers or guarantors thereunder and whether by the same or any other agent, lender or group of lenders.

Currency Protection Agreement means any currency protection agreement entered into with one or more financial institutions in the ordinary course of business that is designed to protect the Person or entity entering into the agreement against fluctuations in currency exchange rates with respect to Indebtedness incurred and not for purposes of speculation.

Default means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

Designated Noncash Consideration means the fair market value of noncash consideration received by the Company or one of its Restricted Subsidiaries in connection with an Asset Sale that is so designated as Designated Noncash Consideration pursuant to an officers certificate, setting forth the basis of such valuation, executed by the principal executive officer and the principal financial officer of the Company, less the amount of cash and Cash Equivalents received in connection with a sale of such Designated Noncash Consideration.

Disqualified Stock means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case at the option of the holder thereof), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or

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otherwise, or redeemable at the option of the holder thereof, in whole or in part, on or prior to the date that is 91 days after the date on which the Notes mature. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders thereof have the right to require the Company to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale or as a result of the bankruptcy, insolvency or similar event of the issuer shall not constitute Disqualified Stock if the terms of such Capital Stock provide that the Company may not repurchase or redeem such Capital Stock pursuant to such provision unless such repurchase or redemption complies with the covenant described under the caption Certain Covenants Restricted Payments.

Domestic Subsidiary means, with respect to the Company, any Restricted Subsidiary that was formed under the laws of the United States of America or any State thereof or that Guarantees