

JOHNSON CONTROLS INC

Form 424B5

February 01, 2011

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The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

**Filed Pursuant to Rule 424(b)(5)
Registration No. 333-157502**

**SUBJECT TO COMPLETION
PRELIMINARY PROSPECTUS SUPPLEMENT DATED FEBRUARY 1, 2011**

**Preliminary Prospectus Supplement
(To Prospectus Dated February 23, 2009)**

\$

Johnson Controls, Inc.

\$ % Senior Notes due
\$ % Senior Notes due
\$ % Senior Notes due

We are offering three series of notes consisting of \$ aggregate principal amount of % Senior Notes due (the notes), \$ aggregate principal amount of % Senior Notes due (the notes) and \$ aggregate principal amount of % Senior Notes due (the notes and, together with the notes and the notes, the notes). We will pay interest on the notes semiannually on and of each year, beginning , 2011. We may redeem the notes of any series in whole or in part at any time at the applicable redemption prices described in this prospectus supplement under Description of the Notes Optional Redemption. If we experience a change of control triggering event, we may be required to offer to purchase the notes from holders at 101% of the principal amount thereof plus accrued and unpaid interest to the repurchase date. See Description of the Notes Offer to Repurchase Upon Change of Control Triggering Event.

The notes will be our senior unsecured obligations and will rank equally with all of our other existing and future senior unsecured obligations.

Investing in the notes involves risks, including those described in the Risk Factors section beginning on page S-4 of this prospectus supplement.

Public Underwriting Proceeds,

		Offering Price(1)	Discounts and Commissions	Before Expenses, to Us(1)
Per note		%	%	%
Total		\$	\$	\$
Per note		%	%	%
Total		\$	\$	\$
Per note		%	%	%
Total		\$	\$	\$

(1) Plus accrued interest, if any, from , 2011.

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 underwriters expect to deliver the notes to purchasers through the book-entry delivery system of The Depository Trust Company and its participants, including Clearstream Banking, société anonyme and Euroclear Bank, S.A./N.V. as operator of the Euroclear System, on or about , 2011.

Joint Book-Running Managers

**BofA Merrill Lynch
Citi**

Goldman, Sachs & Co.

**J.P. Morgan
US Bancorp**

, 2011

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You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or any free writing prospectus prepared by us. We and the underwriters have not authorized anyone else to provide you with different or additional information. We are not, and the underwriters are not, making an offer of these notes in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained or incorporated by reference in this prospectus supplement or in the accompanying prospectus is accurate as of any date other than the date on the front of that document.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of the notes that we are offering and other matters relating to us and our financial condition. The second part is the attached base prospectus, which gives more general information about securities we may offer from time to time, some of which does not apply to the notes we are offering. The description of the terms of the notes in this prospectus supplement supplements the description in the accompanying prospectus under Description of the Debt Securities, and to the extent it is inconsistent with that description, the information in this prospectus supplement replaces the information in the accompanying prospectus. Generally, when we refer to the prospectus, we are referring to both parts of this document combined. If information in the prospectus supplement differs from information in the accompanying prospectus, you should rely on the information in this prospectus supplement.

Except as used in Description of the Notes, as the context otherwise requires, or as otherwise specified or used in this prospectus supplement or the accompanying prospectus, the terms we, our, us, the company, JCI and Johnson Controls refer to Johnson Controls, Inc. and its subsidiaries. References in this prospectus supplement to U.S. dollars, U.S. \$ or \$ are to the currency of the United States of America.

The distribution of this prospectus supplement and the accompanying prospectus and the offering of the notes in certain jurisdictions may be restricted by law. Persons who come into possession of this prospectus supplement and the accompanying prospectus should inform themselves about and observe any such restrictions. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

You should not consider any information in this prospectus supplement or the accompanying prospectus to be investment, legal or tax advice. You should consult your own counsel, accountant and other advisors for legal, tax, business, financial and related advice regarding the purchase of the notes. We are not making any representation to you regarding the legality of an investment in the notes by you under applicable investment or similar laws.

You should read and consider all information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus before making your investment decision.

CAUTIONARY NOTE FOR FORWARD-LOOKING STATEMENTS

Certain statements in this prospectus supplement, the accompanying prospectus and/or other offering material and the information incorporated by reference in the prospectus and/or other offering material, other than purely historical information, including estimates, projections, statements relating to our business plans, objectives and expected operating results, and the assumptions upon which those statements are based, are 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). These forward-looking statements generally are identified by the words believe, project, expect, anticipate, estimate, forecast, outlook, intend, strategy, plan, may, should, will, would, will be, will continue, and the negative thereof or variations thereon or similar terminology generally intended to identify forward-looking statements. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. A detailed discussion of risks and uncertainties that could cause actual results and events to differ materially from such

forward-looking statements has been included in the section entitled "Risk Factors" in this prospectus supplement and in our Annual Report on Form 10-K for the year ended September 30, 2010. We undertake no obligation, and we disclaim any obligation, to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

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SUMMARY

This summary highlights information from this prospectus supplement, the accompanying prospectus and the documents incorporated by reference. It is not complete and may not contain all of the information that you should consider before investing in our notes. We encourage you to read this prospectus supplement, the accompanying prospectus and the documents incorporated by reference in their entirety before making an investment decision, including the information set forth under the heading Risk Factors.

Johnson Controls, Inc.

Johnson Controls is a corporation organized under the laws of the State of Wisconsin. We bring ingenuity to the places where people live, work and travel. By integrating technologies, products and services, we create smart environments that redefine the relationships between people and their surroundings. We strive to create a more comfortable, safe and sustainable world through our products and services to millions of vehicles, homes and commercial buildings. Johnson Controls provides innovative automotive interiors that help make driving more comfortable, safe and enjoyable. For buildings, we offer products and services that optimize energy use and improve comfort and security. We also provide batteries for automobiles and hybrid electric vehicles, along with related systems engineering, marketing and service expertise.

Our building efficiency business is a global market leader in designing, producing, marketing and installing integrated heating, ventilating and air conditioning (HVAC) systems, building management systems, controls, security and mechanical equipment. In addition, our building efficiency business provides technical services, energy management consulting and operations of entire real estate portfolios for the non-residential buildings market. We also provide residential air conditioning and heating systems and industrial refrigeration products.

Our automotive experience business is one of the world's largest automotive suppliers, providing innovative interior systems through our design and engineering expertise. Our technologies extend into virtually every area of the interior including seating and overhead systems, door systems, floor consoles, instrument panels, cockpits and integrated electronics. Our customers include most of the world's major automakers.

Our power solutions business is a leading global supplier of lead-acid automotive batteries for virtually every type of passenger car, light truck and utility vehicle. We serve both automotive original equipment manufacturers and the general vehicle battery aftermarket. We offer Absorbent Glass Mat and lithium-ion battery technologies to power hybrid vehicles.

Our principal executive offices are located at 5757 North Green Bay Avenue, Milwaukee, Wisconsin 53209-4408, and our telephone number is (414) 524-1200.

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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. The Description of the Notes section of this prospectus supplement and the Description of the Debt Securities section of the accompanying prospectus contain a more detailed description of the terms and conditions of the notes. As used in this section, we, our, us and JCI refer to Johnson Controls, Inc. and not to its subsidiaries.

Issuer	Johnson Controls, Inc.
Notes Offered	\$ aggregate principal amount of % notes due , \$ aggregate principal amount of % notes due , and \$ aggregate principal amount of % notes due .
Maturity	The notes will mature on , , the notes will mature on , , and the notes will mature on , .
Interest Rate	The notes will bear interest at a rate of % per year, the notes will bear interest at a rate of % per year, and the notes will bear interest at a rate of % per year.
Interest Payment Dates	Interest on the notes will be payable semiannually in arrears on and of each year, beginning on , 2011.
Optional Redemption	<p>We may redeem the notes of any series at any time in whole or from time to time in part, prior to their maturity date, in each case at the redemption price equal to the greater of:</p> <ul style="list-style-type: none"> 100% of the principal amount of the notes being redeemed; and the sum of the present values of the remaining scheduled payments of principal and interest on the notes to be redeemed (not including any portion of such payments of interest accrued to the date of redemption), discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Rate (as defined in this prospectus supplement), plus basis points, in the case of the notes, basis points, in the case of the notes, and basis points, in the case of the notes. <p>We will also pay the accrued and unpaid interest on the notes being redeemed to the redemption date.</p>
Offer to Repurchase Upon Change of Control Triggering Event	If we experience a Change of Control Triggering Event (as defined in this prospectus supplement) with respect to the notes, unless we have exercised our right to redeem the notes, each holder of notes will have the right to require us to repurchase all or a portion of such holder's notes at a price equal to 101% of the principal amount of the notes repurchased plus accrued and unpaid interest,

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if any, as described more fully under Description of the Notes Offer to Repurchase Upon Change of Control Triggering Event.

Ranking

The notes will be our senior unsecured obligations and will rank equally with all of our existing and future senior unsecured obligations.

Certain Covenants

The indenture governing the notes will, among other things, limit our and our subsidiaries ability to:

incur secured indebtedness;

enter into certain sale and leaseback transactions; and

enter into certain mergers, consolidations and transfers of substantially all of our assets.

The above restrictions are subject to significant exceptions. See Description of the Debt Securities Covenants Applicable to Senior Debt Securities and Merger in the accompanying prospectus.

Use of Proceeds

We intend to use the net proceeds to repay short-term debt, including commercial paper issued in January 2011 to repay \$654 million aggregate principal amount of our 5.25% senior notes due 2011, which matured on January 15, 2011, and for general corporate purposes. See Use of Proceeds.

Denominations

The notes will be issued only in denominations of \$2,000 and any integral multiple of \$1,000 in excess thereof.

Form of Notes

We will issue the notes in the form of one or more fully registered global notes registered in the name of the nominee of The Depository Trust Company (DTC). Investors may elect to hold the interests in the global notes through any of DTC, Clearstream Luxembourg or the Euroclear System, as described under the heading Description of the Notes Delivery and Form.

Further Issues

We may, without the consent of the holders of any series of notes, reopen any series of notes and issue additional debt securities that have the same ranking, interest rate, maturity date and other terms as the applicable series of notes being offered by this prospectus supplement (except for the issue date, the public offering price and, in some cases, the first interest payment date), as described under Description of the Notes Principal Amount; Maturity. These additional debt securities, together with the applicable series of notes offered by this prospectus supplement, would constitute a single series of debt securities under the indenture.

Risk Factors

You should consider carefully all the information set forth and incorporated by reference in this prospectus supplement and the accompanying prospectus and, in particular, you should evaluate the

specific factors set forth under Risk Factors beginning on page S-4 of this prospectus supplement before deciding whether to invest in the notes.

Governing Law

New York.

Trustee

U.S. Bank National Association.

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RISK FACTORS

Investing in the notes involves a high degree of risk. In addition to the other information contained in this prospectus supplement, the accompanying prospectus and the information incorporated by reference herein and therein, you should consider carefully the following factors relating to us and the notes before making an investment in the notes offered hereby. If any of the following events actually occur, our business, results of operations, financial condition, cash flows or prospects could be materially adversely affected, which in turn could adversely affect the trading price of the notes. You may lose all or part of your original investment.

Risks Related to the Notes

The notes are effectively subordinated to any secured debt and any liabilities of our subsidiaries.

The notes will rank senior in right of payment to existing and future indebtedness that is expressly subordinated in right of payment to the notes; equal in right of payment to our existing and future indebtedness that is not so subordinated; junior in right of payment to any future secured indebtedness to the extent of the value of the assets securing such indebtedness; and structurally junior to all existing and future indebtedness and other liabilities of our subsidiaries. In the event of our bankruptcy, liquidation, reorganization or other winding up, our assets that secure debt ranking senior or equal in right of payment to the notes will be available to pay obligations on the notes only after any secured debt has been repaid in full from these assets. There may not be sufficient assets remaining to pay amounts due on any or all of the notes then outstanding. The indenture governing the notes does not prohibit us from incurring additional indebtedness, nor does it prohibit any of our subsidiaries from incurring additional liabilities. The terms of the indenture limit our ability to secure additional debt without also securing the notes, to enter into sale and leaseback transactions and to transfer certain of our assets to unrestricted subsidiaries. However, these limitations are subject to numerous exceptions. See Description of the Debt Securities Covenants Applicable to Senior Debt Securities in the accompanying prospectus.

As of December 31, 2010, we had \$3.5 billion of outstanding indebtedness on a consolidated basis, of which \$0.2 billion was indebtedness of our subsidiaries. After giving effect to the repayment of \$654 million aggregate principal amount of our 5.25% senior notes due 2011 at their maturity on January 15, 2011, the issuance of the notes and the use of proceeds of that issuance, our total consolidated indebtedness would have been \$ billion as of December 31, 2010.

The notes are our obligations only, and a portion of our operations are conducted through, and a portion of our consolidated assets are held by, our subsidiaries.

The notes are our obligations exclusively and are not guaranteed by any of our subsidiaries. A portion of our consolidated assets are held by our subsidiaries. Accordingly, our ability to service our debt, including the notes, depends partially on the results of operations of our subsidiaries and upon the ability of such subsidiaries to provide us with cash, whether in the form of dividends, loans or otherwise, to pay amounts due on our obligations, including the notes. Our subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to make payments on the notes or to make any funds available for that purpose. In addition, dividends, loans or other distributions to us from such subsidiaries may be subject to contractual and other restrictions and are subject to other business considerations.

Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our substantial debt.

Our ability to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness, including the notes, depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not continue to generate cash flow from operations in the future sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive.

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Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations.

The notes do not restrict our ability to incur additional debt or prohibit us from taking other action that could negatively impact holders of the notes.

We are not restricted under the terms of the indenture or the notes from incurring additional indebtedness. The terms of the indenture limit our ability to secure additional debt without also securing the notes, to enter into sale and leaseback transactions and to transfer certain of our assets to unrestricted subsidiaries. However, these limitations are subject to numerous exceptions. See Description of the Debt Securities Covenants Applicable to Senior Debt Securities in the accompanying prospectus. In addition, the notes do not require us to achieve or maintain any minimum financial results relating to our financial position or results of operations. Our ability to recapitalize, incur additional debt, secure existing or future debt or take a number of other actions that are not limited by the terms of the indenture and the notes, including repurchasing subordinated indebtedness or common stock or to transfer assets to our parent if we were to form a holding company, could have the effect of diminishing our ability to make payments on the notes when due, causing a loss in the trading value of your notes, if any, and increasing the risk that the credit rating of the notes is lowered or withdrawn.

We may not have sufficient cash to repurchase the notes upon the occurrence of a Change of Control Triggering Event.

As described under Description of the Notes Offer to Repurchase upon Change of Control Triggering Event, we will be required to offer to repurchase all of the notes upon the occurrence of a Change of Control Triggering Event. We may not, however, have sufficient cash at that time or have the ability to arrange necessary financing on acceptable terms to repurchase the notes under such circumstances. If we are unable to repurchase the notes upon the occurrence of a Change of Control Triggering Event, it would result in an event of default under the indenture. A default under the indenture could also lead to a default under the agreements governing our existing or future indebtedness. If the repayment of the related indebtedness were to be accelerated after any applicable notice or grace periods, we may not have sufficient funds to repay the indebtedness and repurchase the notes.

Our financial performance and other factors could adversely impact our ability to make payments on the notes.

Our ability to make scheduled payments with respect to our indebtedness, including the notes, will depend on our financial and operating performance, which, in turn, is subject to prevailing economic conditions and to financial, business and other factors beyond our control.

We cannot assure you that active trading markets will develop for the notes.

Prior to this offering, there have been no trading markets for the notes. We do not intend to apply for listing of the notes on any securities exchange or to arrange for quotation on any interdealer quotation system. We have been informed by the underwriters that they intend to make a market in the notes of each series after the offering is completed. However, the underwriters may cease their market-making at any time without notice. In addition, the liquidity of the trading markets in the notes, and the market prices quoted for the notes, may be adversely affected by changes in the overall market for this type of security and by changes in our financial performance or prospects or in the prospects for companies in our industry generally. As a result, we cannot assure you that active trading markets will develop for the notes. If active trading markets do not develop or are not maintained, the market prices and liquidity of the notes may be adversely affected. In that case you may not be able to sell your notes at a particular time or you may not be able to sell your notes at favorable prices.

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Ratings of the notes may not reflect all risks of an investment in the notes.

The notes will be rated by at least one nationally recognized statistical rating organization. The ratings of our notes will primarily reflect our financial strength and will change in accordance with the rating of our financial strength. Any rating is not a recommendation to purchase, sell or hold any particular security, including the notes. These ratings do not comment as to market price or suitability for a particular investor. In addition, ratings at any time may be lowered or withdrawn in their entirety. The ratings of the notes may not reflect the potential impact of all risks related to structure and other factors on any trading market for, or trading values of, your notes.

Our management will have broad discretion in allocating the net proceeds of this offering.

Our management has significant flexibility in applying the net proceeds we expect to receive in this offering. We intend to use the net proceeds from this offering to repay short-term debt, including commercial paper issued in January 2011 to repay \$654 million aggregate principal amount of our 5.25% senior notes due 2011, which matured on January 15, 2011, and for general corporate purposes. Because a significant portion of the net proceeds are not required to be allocated to any specific investment or transaction, you cannot determine at this time the value or propriety of our application of the proceeds, and you may not agree with our decisions. In addition, our use of the proceeds from this offering may not yield a significant return or any return at all. The failure by our management to apply these funds effectively could have a negative impact on our business, results of operations or financial condition. See Use of Proceeds.

An increase in market interest rates could result in a decrease in the value of the notes.

In general, as market interest rates rise, notes bearing interest at a fixed rate generally decline in value because the premium, if any, over market interest rates will decline. Consequently, if you purchase notes and market interest rates increase, the market values of your notes may decline. We cannot predict the future level of market interest rates.

If you are able to resell your notes, many other factors may affect the price you receive, which may be lower than you believe to be appropriate.

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

- our financial performance;
- the amount of indebtedness we have outstanding;
- the market for similar securities;
- market interest rates;
- the liquidity of the market in which the notes trade;
- the redemption and repayment features of the notes to be sold; and
- the time remaining to maturity of your notes.

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

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The net proceeds from the sale of the notes will be approximately \$, after deducting underwriting discounts and commissions and our offering expenses. We intend to use the net proceeds to repay short-term debt, including commercial paper issued in January 2011 to repay \$654 million aggregate principal amount of our 5.25% senior notes due 2011, which matured on January 15, 2011, and for general corporate purposes. As of December 31, 2010, we had various forms of short-term debt outstanding that had a weighted average maturity of 42 days and carried a weighted average annual interest rate of 2.55%.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our ratio of earnings to fixed charges for each year in the five-year period ended September 30, 2010, and for the three months ended December 31, 2010.

	Year Ended September 30,				Three Months
2006	2007	2008	2009	2010	Ended December 31, 2010
4.1x	5.0x	4.1x	(1)	6.3x	6.7x

(1) Total earnings were insufficient to cover fixed charges by \$89 million in the year ended September 30, 2009.

For the purposes of computing this ratio, earnings consist of net income attributable to Johnson Controls, Inc. from continuing operations before income taxes, income attributable to noncontrolling interests and income from equity affiliates plus (a) amortization of previously capitalized interest, (b) distributed income from equity affiliates and (c) fixed charges, minus interest capitalized during the period. Fixed charges consist of (i) interest incurred and amortization of debt expense plus (ii) the portion of rent expense representative of the interest factor.

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The following table sets forth, as of December 31, 2010, our consolidated cash and cash equivalents, short-term debt and total long-term debt and total equity on an actual basis and as adjusted to give effect to:

the repayment of \$654 million aggregate principal amount of our 5.25% senior notes due 2011, which matured on January 15, 2011; and

the sale of the notes and the application of the net proceeds to repay short-term debt, including commercial paper issued in January 2011 to repay \$654 million aggregate principal amount of our 5.25% senior notes due 2011, which matured on January 15, 2011.

You should read this table in conjunction with our consolidated financial statements and the notes thereto which are incorporated by reference.

	At December 31, 2010	
	As	
	Actual	Adjusted
	(dollars in millions)	
Cash and cash equivalents	\$	321
Short-term debt	\$	187
Long-term debt:		
Notes due from 2011 – 2046 notes offered hereby notes offered hereby notes offered hereby	\$	3,202
Other		145
Current portion of long-term debt		663
Total long-term debt, net of current portion		2,684
Stockholders' equity:		
Common stock		9
Capital in excess of par value		2,548
Retained earnings		8,036
Treasury stock, at cost		(74)
Accumulated other comprehensive loss		(88)
Equity attributable to noncontrolling interests		117
Total equity		10,548
Total long-term debt and total equity	\$	13,232

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For purposes of the accompanying prospectus, the notes are Senior Debt Securities. We refer you to the Description of the Debt Securities in the accompanying prospectus, which you should read carefully. The following description of the particular terms of the notes offered by this prospectus supplement supplements, and to the extent inconsistent with the description in the accompanying prospectus replaces, that description. The notes will be issued under an Indenture, dated as of January 17, 2006, which we refer to as the indenture, between us and U.S. Bank National Association (as successor trustee to JPMorgan Chase Bank). U.S. Bank National Association will be the trustee for the notes. Except as otherwise defined in this prospectus supplement, capitalized definitional terms used in this prospectus supplement have the meanings specified in the accompanying prospectus. The notes of each series will be issued in the form of one or more fully registered global securities which will be deposited with, or on behalf of, The Depository Trust Company, or DTC, as the depository, and registered in the name of the depository's nominee. See Delivery and Form below and Description of the Debt Securities Book-Entry, Delivery and Settlement in the accompanying prospectus.

Principal Amount; Maturity

We will issue three series of notes consisting of \$ initial principal amount of the notes that will mature on , \$ initial principal amount of the notes that will mature on , and \$ initial principal amount of the notes that will mature on . If the maturity date for a series of notes falls on a day that is not a business day, the related payment of principal and interest will be made on the next business day as if it were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the next business day. The notes are issuable only in registered form without coupons in denominations of \$2,000 and any integral multiples of \$1,000 in excess thereof. We may, without the consent of the holders of any series of notes, reopen any series of notes and issue additional debt securities that have the same ranking, interest rate, maturity date and other terms as the applicable series of notes being offered by this prospectus supplement (except for the issue date, the public offering price and, in some cases, the first interest payment date). These additional debt securities, together with the applicable series of notes offered by this prospectus supplement, would constitute a single series of debt securities under the indenture.

Interest

The notes will bear interest at a rate of % per year, the notes will bear interest at a rate of % per year, and the notes will bear interest at a rate of % per year. Interest will accrue from , 2011. Interest is payable semiannually on and of each year to the holders of record at the close of business on and (whether or not that date is a business day), as the case may be, immediately preceding such interest payment date. Interest on the notes will be computed on the basis of a 360-day year of twelve 30-day months. The first interest payment date will be , 2011. If any interest payment date is not a business day, the payment of interest will be made on the next succeeding business day and no additional interest will accrue.

Optional Redemption

The notes of each series are redeemable, in whole at any time or in part from time to time, at our option at a redemption price equal to the greater of:

- (1) 100% of the principal amount of the notes being redeemed; and
- (2) the sum of the present values of the remaining scheduled payments of principal and interest on the notes to be redeemed (not including any portion of such payments of interest accrued to the date of redemption), discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the applicable Treasury Rate (as defined below), plus

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basis points, in the case of the notes, basis points, in the case of the notes, and basis points, in the case of the notes,

plus, in each case, accrued and unpaid interest on the notes being redeemed to the redemption date. Notwithstanding the foregoing, installments of interest on the notes that are due and payable on interest payment dates falling on or prior to a redemption date will be payable on the interest payment date to the registered holders as of the close of business on the relevant record date according to the notes and the indenture.

Comparable Treasury Issue means the U.S. Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term (the **Remaining Life**) of the notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such notes.

Comparable Treasury Price means, with respect to any redemption date, (1) the average of five Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if the Independent Investment Banker obtains fewer than five such Reference Treasury Dealer Quotations, the average of all such quotations.

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

Reference Treasury Dealer means (1) each of J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citigroup Global Markets Inc. and Goldman, Sachs & Co. (or their respective affiliates that are primary U.S. Government securities dealers); provided, however, that if any of the foregoing shall cease to be a primary U.S. Government securities dealer in New York City (a **Primary Treasury Dealer**), we will substitute therefor another Primary Treasury Dealer, and (2) any other Primary Treasury Dealer selected by us after consultation with the Independent Investment Banker.

Reference Treasury Dealer Quotations means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker at 5:00 p.m., New York City time, on the third business day preceding such redemption date.

Treasury Rate means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date. The Treasury Rate will be calculated on the third business day preceding the redemption date.

Holders of notes to be redeemed will receive notice thereof by first-class mail at least 30 and not more than 60 days prior to the date fixed for redemption. If fewer than all of the notes are to be redeemed, the trustee will select, not more than 60 days prior to the redemption date, the particular notes or portions thereof for redemption from the outstanding not previously called by such method as the trustee deems fair and appropriate.

Sinking Fund

The notes will not be entitled to any sinking fund.

Offer to Repurchase Upon Change of Control Triggering Event

Upon the occurrence of a Change of Control Triggering Event with respect to the notes, unless we have exercised our right to redeem the notes as described under **Optional Redemption** by giving irrevocable notice to the trustee in accordance with the indenture, each holder of notes will have the right to require us to purchase all or a portion of such holder's notes pursuant to the offer described below (the **Change of Control Offer**), at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, up to but not including the date of purchase (the **Change of Control Payment**), subject to the rights of

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holders of notes on the relevant record date to receive interest due and owing on the relevant interest payment date.

Within 30 days following the date upon which the Change of Control Triggering Event occurs or, at our option, prior to any Change of Control but after the public announcement of the pending Change of Control, we will be required to send, by first class