AMERIPRISE FINANCIAL INC
Form 424B2
September 05, 2013

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Filed Pursuant to Rule 424(b)(2)
Registration Statement No. 333-181005

CALCULATION OF REGISTRATION FEE

Title Of Each Class Of Securities To Be Registered	Amount To Be Registered	Maximum Offering Price Per Share	Maximum Aggregate Offering Price	Amount Of Registration Fee(1)
4.00% Senior Notes due 2023	$600,000,000	99.518%	$597,108,000	$81,445.54

(1) Calculated in accordance with Rule 456(b) and 457(r) of the Securities Act.

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Prospectus Supplement to Prospectus dated April 27, 2012.

$600,000,000

Ameriprise Financial, Inc.

4.00% Senior Notes due 2023

This is an offering by Ameriprise Financial, Inc. of $600 million principal amount of its 4.00% Senior Notes due 2023 (the "notes"). We will pay interest on the notes semi-annually in arrears on each April 15 and October 15, commencing on April 15, 2014. The notes will mature on October 15, 2023.

We may redeem the notes in whole or in part at any time at the redemption prices described under the caption "Description of the Notes Optional Redemption" in this prospectus supplement. The notes will be issued in denominations of $2,000 and integral multiples of $1,000 in excess thereof.

Investing in the notes involves risks. See "Risk Factors" beginning on page S-4 of this prospectus supplement and in "Item 1A. Risk Factors" beginning on page 23 of our Annual Report on Form 10-K for the year ended December 31, 2012 to read about factors you should consider before buying the notes.

The notes are unsecured senior debt obligations of Ameriprise Financial, Inc. and will rank equally with existing and future unsecured senior debt obligations of Ameriprise Financial, Inc.

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

	Per Note	Total
Initial public offering price	99.518%	$597,108,000
Underwriting discount	0.650%	$3,900,000
Proceeds, before expenses, to Ameriprise Financial, Inc.	98.868%	$593,208,000

The initial public offering price set forth above does not include accrued interest, if any. Interest on the notes will accrue from September 6, 2013.

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

The underwriters expect to deliver the notes in book-entry form only through the facilities of The Depository Trust Company for the accounts of its participants, including Clearstream Banking, S.A. and Euroclear Bank S.A./N.V., against payment in New York, New York on or about September 6, 2013.

Bookrunners

Credit Suisse **Goldman, Sachs & Co.** **J.P. Morgan** **Wells Fargo Securities**

Co-Managers

Citigroup **BofA Merrill Lynch** **HSBC** **US Bancorp** **UBS Investment Bank**

The date of this prospectus supplement is September 3, 2013.

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Prospectus Supplement

Prospectus

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus supplement or the accompanying prospectus. You must not rely on any unauthorized information or representations. This prospectus supplement and the accompanying prospectus are an offer to sell only the notes offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus supplement or the accompanying prospectus is current only as of its date.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document has two parts. The first part consists of this prospectus supplement, which describes the specific terms of this offering and the notes offered. The second part, the accompanying prospectus, provides more general information, some of which may not apply to this offering. If the description of this offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

Before purchasing any notes, you should carefully read both this prospectus supplement and the accompanying prospectus, together with the additional information incorporated by reference in this prospectus supplement.

You should rely only on the information contained in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference and any written communication from us or the underwriters specifying the final terms of this offering. We have not authorized anyone to provide you with information that is different. This prospectus supplement and the accompanying prospectus may only be used where it is legal to sell these securities. The information in this prospectus supplement and the accompanying prospectus may only be accurate as of their respective dates and the information in the incorporated documents is only accurate as of their respective dates.

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 into whose possession this prospectus supplement and the accompanying prospectus come 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.

Unless otherwise indicated, all references to "we," "our," "us," the "Company" or "Ameriprise" refer to Ameriprise Financial, Inc. and its consolidated subsidiaries.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights information contained elsewhere in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference. This summary sets forth the material terms of this offering, but does not contain all of the information you should consider before investing in our notes. You should read carefully this entire prospectus supplement and the accompanying prospectus, including the documents incorporated by reference in this prospectus supplement and the accompanying prospectus, before making an investment decision to purchase our notes, especially the risks of investing in our notes discussed under "Risk Factors" contained in this prospectus supplement and under "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2012, as well as the consolidated financial statements and notes to those consolidated financial statements incorporated by reference in this prospectus supplement and the accompanying prospectus.

Ameriprise Financial, Inc.

Ameriprise Financial is a diversified financial services company with a 118 year history of providing financial solutions. We offer a broad range of products and services designed to achieve the financial objectives of individual and institutional clients. We are America's leader in financial planning and a leading global financial institution with $703 billion in assets under management and administration as of June 30, 2013.

Our strategy is centered on helping our clients confidently achieve their goals by providing advice and managing their assets, and protecting their assets and income. We utilize two go-to-market approaches in carrying out this strategy: Wealth Management and Asset Management.

- Our wealth management capabilities are centered on the long-term, personal relationships between our clients and our financial advisors and registered representatives ("our advisors"). Through our advisors, we offer financial planning, products and services designed to be used as solutions for our clients' cash and liquidity, asset accumulation, income, protection, and estate and wealth transfer needs. Our focus on personal relationships, together with our discipline in financial planning and strengths in product development and advice, allow us to address the evolving financial and retirement-related needs of our clients, including our primary target market segment, the mass affluent and affluent. The financial product solutions we offer through our advisors include both our own products and services and the products of other companies. Our advisor network is the primary channel through which we offer our affiliated insurance and annuity products and services.

- Our asset management capabilities are global in scale. We offer a broad spectrum of investment advice and products to individual, institutional and high-net worth investors. These investment products are primarily provided through third parties, though we also provide our asset management products through our advisor channel. Our underlying asset management philosophy is based on delivering consistently strong, competitive investment performance.

Our principal executive offices are located at 55 Ameriprise Financial Center, Minneapolis, Minnesota 55474, and our telephone number is 612-671-3131.

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Summary of the Offering

The following summary highlights information contained elsewhere in this prospectus supplement. You should read this summary in conjunction with the more detailed information appearing elsewhere in this prospectus supplement and the accompanying prospectus.

Issuer	Ameriprise Financial, Inc.
Securities Offered	$600,000,000 principal amount of 4.00% Senior Notes due 2023.
Use of Proceeds	Net proceeds to us will be approximately $591,708,000 after deducting underwriting discounts and commissions and estimated offering expenses payable by us. The net proceeds received by us from the sale of the notes will be used for general corporate purposes, which may include the repayment of part of our 5.65% senior notes due 2015 ($700 million principal amount outstanding as of the date hereof) and/or our 7.75% senior notes due 2039 ($200 million principal amount outstanding as of the date hereof). See "Use of Proceeds" in this prospectus supplement.
Maturity Date	October 15, 2023.
Interest Rate and Payment Dates	4.00% per annum payable semi-annually in arrears on each April 15 and October 15, beginning on April 15, 2014 and at maturity.
Ranking	The notes will be general unsecured senior obligations of Ameriprise Financial, Inc. and will rank equally in right of payment with Ameriprise Financial, Inc.'s existing and future unsecured and unsubordinated debt. The notes will be structurally subordinated to all future and existing obligations of our subsidiaries.
Further Issuances	We may create and issue further notes ranking equally and ratably with the notes in all respects, so that such further notes shall constitute and form a single series with the notes and shall have the same terms as to status, redemption or otherwise as the notes.
Optional Redemption	We may redeem the notes, in whole or in part, at any time at our option prior to maturity at a price equal to the greater of the principal amount thereof and the sum of the present values of the remaining scheduled payments of principal and interest in respect of the notes to be redeemed discounted to the date of redemption as described on page S-12 under "Description of the Notes Optional Redemption," plus, in each case, accrued and unpaid interest.
Markets	The notes will be offered for sale in those jurisdictions both inside and outside the United States where it is legal to make such offers. See "Underwriting" beginning on page S-19.
Listing	We are not applying to list the notes on any securities exchange.

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Form and Denomination	The notes will be issued in fully registered form in denominations of $2,000 and integral multiples of $1,000 in excess of $2,000.
Trustee and Paying Agent	The trustee and paying agent for the notes is U.S. Bank National Association.
Governing Law	The indenture and the notes will be governed by the laws of the State of New York.

For a more complete description of the terms of the notes, see "Description of the Notes" beginning on page S-11.

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RISK FACTORS

You should carefully consider the risks described below, the risks set forth in our Annual Report on Form 10-K for the year ended December 31, 2012 and the other information set forth in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference before making an investment decision. Additional risks and uncertainties not presently known to us, or that we currently deem immaterial, may also impair our business operations. The events discussed in the risk factors below, or the risk factors in our Annual Report on Form 10-K for the year ended December 31, 2012, may occur. If they do, our business, results of operations or financial condition could be materially adversely affected. In such an instance, the trading price of our securities, including the notes, could decline and you might lose all or part of your investment.

The notes will be effectively subordinated to the indebtedness and other liabilities of our subsidiaries.

Substantially all of our operations are conducted through our subsidiaries. None of our subsidiaries is a guarantor of the notes. As a result, our right to receive assets upon the liquidation or recapitalization of any of our subsidiaries, and your consequent right to participate in those assets, is subject to the claims of such subsidiary's creditors. Accordingly, the notes are effectively subordinated to all indebtedness and other liabilities, including trade payables, of our subsidiaries. Even if we are recognized as a creditor of one or more of our subsidiaries, our claims would still be effectively subordinated to any security interests in the assets of any such subsidiary and to any indebtedness or other liabilities of any such subsidiary senior to our claims. As of June 30, 2013, our subsidiaries accounted for $501 million of our total debt. For further discussion, see "As a holding company, we depend on the ability of our subsidiaries to transfer funds to us to pay dividends and to meet our obligations" under "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2012.

In addition, we derive substantially all of our revenues from our subsidiaries. As a result, our cash flow and our ability to service our debt and other obligations, including the notes, depends on the results of operations of our subsidiaries and upon the ability of our subsidiaries to provide us with cash to pay amounts due on our obligations, including the notes. Our subsidiaries are separate and distinct legal entities and have no obligation to make payments on the notes or to make funds available to us for that purpose. In addition, dividends, loans or other distributions from our subsidiaries to us may be subject to contractual, legal and regulatory and other restrictions, are dependent upon results of operations of our subsidiaries, may be subject to tax or other laws limiting our ability to repatriate funds from foreign subsidiaries and are subject to other business considerations.

The notes will be unsecured and therefore will be effectively subordinated to any secured indebtedness we may incur.

The notes will not be secured by any of our assets. As a result, the notes are effectively subordinated to any secured debt we or our subsidiaries may incur in the future to the extent of the value of the assets securing such debt. In any liquidation, dissolution, bankruptcy or other similar proceeding, the holders of any of our secured debt and the secured debt of our subsidiaries may assert rights against the assets pledged to secure that debt in order to receive full payment of their debt before the assets may be used to pay other creditors, including the holders of the notes.

The indenture under which the notes will be issued will contain limited protection for holders of the notes.

The indenture under which the notes will be issued offers limited protection to holders of the notes. The terms of the indenture and the notes do not restrict our or any of our subsidiaries' ability to engage in, or otherwise be a party to, a variety of corporate transactions, circumstances or events that

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could have an adverse impact on your investment in the notes. In particular, the terms of the indenture and the notes will not place any restrictions on our or our subsidiaries' ability to:

- issue securities or otherwise incur additional indebtedness or other obligations, including (1) any indebtedness or other obligations that would be equal in right of payment to the notes and (2) securities, indebtedness or obligations issued or incurred by our subsidiaries which would be senior to our equity interests in our subsidiaries and therefore rank effectively senior to the notes with respect to the assets of our subsidiaries;
- pay dividends on, or purchase or redeem or make any payments in respect of, capital stock or other securities ranking junior in right of payment to the notes;
- sell assets (other than certain limited restrictions on our ability to consolidate, merge or sell all or substantially all of our assets);
- enter into transactions with affiliates;
- create liens (including liens on the shares of our subsidiaries) or enter into sale and leaseback transactions;
- make investments; or
- create restrictions on the payment of dividends or other amounts to us from our subsidiaries.

Certain of our current debt instruments, including our 5.65% senior notes due 2015 (the "2015 Notes"), include more protections for their holders than the indenture and the notes. In particular, the 2015 Notes are entitled to the benefit of a limitation on our ability to incur liens on the shares of capital stock of our principal subsidiaries without equally and ratably securing the 2015 Notes, which protection will be unavailable to the holders of the notes. As a result, holders of the notes may be effectively subordinated to holders of the 2015 Notes, and to new lenders or bondholders, to the extent the instruments they hold include similar protections.

In addition, the indenture will not require us to offer to purchase the notes in connection with a change of control.

Furthermore, the terms of the indenture and the notes do not protect holders of the notes in the event that we experience changes (including significant adverse changes) in our financial condition or results of operations, as they do not require that we or our subsidiaries adhere to any financial tests or ratios or specified levels of net worth, revenues, income, cash flow, or liquidity.

Our ability to recapitalize, incur additional debt and take a number of other actions that are not limited by the terms of the notes could negatively affect the value of the notes.

If an active trading market does not develop for the notes, you may be unable to sell your notes or to sell your notes at a price that you deem sufficient.

The notes are a new issue of securities with no established trading market, and we do not intend to list them on any securities exchange or automated quotation system. The underwriters currently intend, but are not obligated, to make a market for the notes. As a result, an active trading market for the notes may not develop, or if one does develop, it may not be sustained. If an active trading market fails to develop or cannot be sustained, you may not be able to resell your notes at their fair market value or at all.

Whether or not a trading market for the notes develops, none of us or the underwriters can provide any assurance about the market price of the notes. Several factors, many of which are beyond our control, might influence the market value of the notes, including:

- our creditworthiness;

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- the market for similar securities; and
- economic, financial, geopolitical, regulatory and judicial events that affect us, the industries and markets in which we are doing business, and the financial markets generally.

Financial market conditions and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future. Any increases in prevailing interest rates would likely have an adverse effect on the price of the notes.

Accordingly, the notes that an investor purchases, whether in this offering or in the secondary market, may trade at a discount to the price that the investor paid for the notes.

USE OF PROCEEDS

We estimate that the net proceeds to us from this offering will be approximately $591.7 million, after deducting underwriting discounts and commissions and estimated offering expenses payable by us. The net proceeds received by us from the sale of the notes will be used for general corporate purposes, which may include the repayment of part of our 5.65% senior notes due 2015 ($700 million principal amount outstanding as of the date hereof bearing an interest rate of 5.65% per annum) and/or our 7.75% senior notes due 2039 ($200 million principal amount outstanding as of the date hereof bearing an interest rate of 7.75% per annum).

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CAPITALIZATION

The following table sets forth our cash and cash equivalents and our consolidated capitalization as of June 30, 2013 on an actual basis and as adjusted to give effect to the offering of the notes and the currently contemplated use of proceeds. See "Use of Proceeds."

You should read the information in this table together with our consolidated financial statements and the related notes, along with the information set forth under "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Quarterly Report on Form 10-Q for the period ended June 30, 2013, which is incorporated herein by reference.

	At June 30, 2013	
	Actual	As Adjusted
	(in millions, except share amounts)	
Cash and cash equivalents	$ 2,331	$ 2,331
Cash of consolidated investment entities(a)	1,046	1,046
Consolidated cash and cash equivalents	3,377	3,377
Long-Term Debt:		
5.65% senior notes due 2015(b)(c)	739	363
7.30% senior notes due 2019(b)	331	331
5.30% senior notes due 2020(b)	788	788
7.75% senior notes due 2039(c)	200	
7.518% junior subordinated notes due 2066	294	294
Senior notes due 2023 offered hereby		600
Debt of consolidated investment entities due 2014 2025(a)	5,297	5,297
Total long-term debt	7,649	7,673
Equity:		
Ameriprise Financial, Inc.:		
Common shares ($0.01 par value; shares authorized 1,250,000,000; shares issued 314,623,268)	3	3
Additional paid-in capital	6,730	6,730
Retained earnings	6,831	6,831
Appropriated retained earnings of consolidated investment entities	299	299
Treasury shares, at cost (116,164,177 shares)	(6,148)	(6,148)
Accumulated other comprehensive income, net of tax	625	625
Total Ameriprise Financial shareholders' equity	8,340	8,340
Noncontrolling interests	642	642
Total equity	8,982	8,982
Total capitalization(d)	$ 16,631	$ 16,655

(a)

Our consolidated balance sheet reflects the cash and debt of certain variable interest entities and voting rights entities. Collectively, we refer to these entities as consolidated investment entities ("CIEs"). The CIEs cash is not available for use by Ameriprise Financial, Inc. The CIEs debt is non-recourse to Ameriprise Financial, Inc. and the CIE debt holders have recourse only to the assets of the CIEs. Payment of the CIEs debt is based on cash flows generated by the CIEs.

(b)

Amounts include adjustments for fair value hedges on our long-term debt and any unamortized discounts. See Note 9 to our unaudited consolidated financial statements included in our Quarterly

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Report on Form 10-Q for the period ended June 30, 2013, which is incorporated herein by reference.

(c)
The as adjusted capitalization assumes that the proceeds from this offering will be used to repay our 7.75% senior notes due 2039 and a part of our 5.65% senior notes due 2015, although we reserve the right to use proceeds for other general corporate purposes as set forth under "Use of Proceeds." The as adjusted balance of the 5.65% senior notes due 2015 reflects (i) a $356 million reduction in principal amount and (ii) a $20 million decrease associated with the fair value hedge as a result of such principal reduction. In addition, approximately $36 million of the proceeds would be used for the premium payable upon redemption of the 5.65% senior notes due 2015.

(d)
Total capitalization consists of total long-term debt and total equity including amounts related to CIEs.

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CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth the historical ratio of (1) our earnings to fixed charges before banking and deposit interest expense and interest credited to fixed accounts and (2) our earnings to our fixed charges, in each case for the periods indicated. For purposes of computing these ratios:

"Earnings" consists of pretax income (loss) attributable to Ameriprise Financial, Inc. plus (a) interest and debt expense, (b) the estimated interest portion of rental expense, (c) amortization of capitalized interest, (d) undistributed loss from equity investees, (e) minority interest in pretax income of subsidiaries that have incurred fixed charges and (f) banking and deposit interest expense and interest credited to fixed accounts.

"Fixed charges" consists of the sum of (a) interest and debt expense, (b) the estimated interest portion of rental expense, (c) capitalized interest and (d) banking and deposit interest expense and interest credited to fixed accounts.

	Six Months Ended June 30, 2013	Years Ended December 31, 2012	2011	2010	2009	2008
Ratio of earnings to fixed charges before banking and deposit interest expense and interest credited to fixed accounts(1)	7.3x	5.0x	5.2x	5.4x	5.5x	(2)
Ratio of earnings to fixed charges	2.6x	2.1x	2.2x	2.1x	1.6x	(2)

(1) The formula for this ratio calculation is (a) earnings less banking and deposit interest expense and interest credited to fixed accounts divided by (b) fixed charges less banking and deposit interest expense and interest credited to fixed accounts, each computed as described above.

(2) Earnings were insufficient to cover fixed charges for the year ended December 31, 2008 by $303 million primarily due to negative market impacts on results of operations, including $762 million in pretax impairments on available-for-sale securities.

DESCRIPTION OF THE NOTES

The notes constitute senior debt securities described in the accompanying prospectus. This description supplements, and should be read together with, the description of the general terms and provisions of the notes set forth in the accompanying prospectus under the caption "Description of Debt Securities We May Offer." This description, to the extent inconsistent therewith, replaces the descriptions of the general terms and provisions contained in "Description of Debt Securities We May Offer" in the accompanying prospectus.

The notes will be issued under the indenture dated as of May 5, 2006, entered into with U.S. Bank National Association, as trustee (the "indenture"). The following description does not purport to be complete and is subject to, and qualified in its entirety by reference to, the description in the accompanying prospectus and the indenture. We urge you to read the indenture because it, and not the summaries below and in the accompanying prospectus, defines your rights. You may obtain a copy of the indenture from us without charge. See "Where You Can Find More Information" in the accompanying prospectus.

General

The notes will be issued in an initial principal amount of $600 million.

The notes will be our unsecured obligations and will rank prior to all of our subordinated indebtedness and on an equal basis with all of our other senior unsecured indebtedness.

The notes will be issued in fully registered form only, without coupons, in minimum denominations of $2,000 and integral multiples of $1,000 in excess of $2,000. The notes will be represented by one or more global notes deposited with or on behalf of The Depository Trust Company ("DTC"), or a nominee thereof. The trustee will initially act as paying agent and registrar for the notes. Except as otherwise provided in the indenture, the notes will be registered in the name of that depositary or its nominee. We will pay principal, premium, if any, and interest on the notes to the depositary or its nominee, as the case may be, as the registered owner or the holder of the global note. As provided by the indenture, at our option, interest may be paid at the trustee's corporate trust office or by check mailed to the registered address of the holder of record.

Maturity

The entire principal amount of the notes will mature and become due and payable, together with any accrued and unpaid interest thereon, on October 15, 2023.

Interest Provisions Related to the Notes

Interest on the notes will accrue at the rate of 4.00% per annum and will be payable semi-annually in arrears on each April 15 and October 15, commencing on April 15, 2014. We will pay interest to those persons who were holders of record of the notes on the last day of the month preceding each interest payment date (March 31 and September 30) and at maturity.

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, and will be computed on the basis of a 360-day year comprised of twelve 30-day months.

If any interest payment date, date of redemption or the maturity date of the notes is not a business day, then payment of principal and interest will be made on the next succeeding business day. No interest will accrue on the amount so payable for the period from such interest payment date, redemption date or maturity date, as the case may be, to the date such payment is made.

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Defeasance

In some circumstances, we may elect to discharge our obligations on the notes through defeasance. See "Description of Debt Securities We May Offer Defeasance" in the accompanying prospectus for more information about how we may do this.

No service charge will be made for any registration of transfer or any exchange of notes, but we may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith.

Additional Notes

We may from time to time, without notice to or the consent of the registered holders of the notes, create and issue further notes ranking equally and ratably with the notes in all respects, including having the same CUSIP number, so that such further notes shall be consolidated and form a single series of notes and shall have the same terms as to status or otherwise as the notes, provided that if any such further notes are not fungible with the notes for United States federal income tax purposes, they will be issued with a different CUSIP number. No additional notes may be issued if an event of default has occurred and is continuing with respect to the notes.

Optional Redemption

We may, at our option, at any time and from time to time redeem the notes in whole or in part on not less than 30 nor more than 60 days' prior notice mailed to each holder of the notes (which is expected to be DTC as holder of the global securities). The notes will be redeemable at a redemption price, plus accrued and unpaid interest to the date of redemption, equal to the greater of (1) 100% of the principal amount of the notes to be redeemed or (2) the sum of the present values of the remaining scheduled payments of principal and interest on the notes to be redeemed that would be due after the related redemption date but for such redemption (except that, if such redemption date is not an interest payment date, the amount of the next succeeding scheduled interest payment will be reduced by the amount of interest accrued thereon to the redemption date), discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 20 basis points.

"Treasury Rate" means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity (computed as of the second business day immediately preceding such redemption date) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

"Comparable Treasury Issue" means the United States Treasury security selected by an Independent Investment Banker 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 the notes.

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

"Comparable Treasury Price" means, with respect to any redemption date, (1) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or (2) if we obtain fewer than four such Reference Treasury Dealer Quotations, the average of all quotations obtained.

"Reference Treasury Dealer" means each of Credit Suisse Securities (USA) LLC, Goldman, Sachs & Co., J.P. Morgan Securities LLC, and a Primary Treasury Dealer selected by Wells Fargo Securities, LLC and their respective successors and two other nationally recognized investment banking firms that are Primary Treasury Dealers specified from time to time by us, except that if any of the foregoing ceases to be a primary U.S. government securities dealer in the United States (a "Primary Treasury Dealer"), we are required to designate as a substitute another nationally recognized investment banking firm that is a Primary Treasury Dealer.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by us, 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 us by such Reference Treasury Dealer as of 3:30 p.m., New York City time, on the third business day preceding such redemption date.

On and after any redemption date, interest will cease to accrue on the notes called for redemption. Prior to any redemption date, we are required to deposit with a paying agent money sufficient to pay the redemption price of and accrued interest on the notes to be redeemed on such date. If we are redeeming less than all the notes, the trustee under the indenture will select the notes to be redeemed by such method as the trustee deems fair and appropriate in accordance with methods generally used at the time of selection by fiduciaries in similar circumstances. Since the notes are held in book-entry form, any redemption will be made in accordance with DTC's customary procedures. We have been advised that it is DTC's practice to determine by the lot the amount of each participant in the notes to be redeemed.

Book-Entry System

Upon issuance, all notes will be represented by one or more fully registered global certificates, each of which we refer to as a global security. Each such global security will be deposited with or on behalf of DTC, and registered in the name of DTC or a nominee thereof. Purchasers of the notes can hold beneficial interests in the global notes only through DTC, or through the accounts that Clearstream Banking, S.A. and Euroclear Bank S.A./N.V. maintain as participants in DTC.

A description of DTC's procedures with respect to the global securities is set forth in the sections "Description of Debt Securities We May Offer Additional Mechanics Global Securities" and "Legal Ownership and Book-Entry Issuance" in the accompanying prospectus.

Listing

We are not applying to list the notes on any securities exchange.

Governing Law

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

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CERTAIN ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase and holding of the notes by employee benefit plans that are subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the "Code") or provisions under any other federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code (collectively, "similar law"), and entities whose underlying assets are considered to include "plan assets" of any such p