

REPUBLIC SERVICES, INC.

Form 424B2

March 05, 2015

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Filed Pursuant to Rule 424(b)(2)

Registration No. 333-195485

**CALCULATION OF REGISTRATION FEE**

<b>Title of Each Class of Securities to be Registered</b>	<b>Amount to be Registered</b>	<b>Maximum Offering Price per Unit</b>	<b>Maximum Aggregate Offering Price</b>	<b>Amount of Registration Fee</b>
3.20% Notes due 2025	\$500,000,000	99.584%	\$497,920,000	\$57,859(1)

(1) The filing fee is calculated in accordance with Rule 457(r) of the Securities Act of 1933, as amended.

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**PROSPECTUS SUPPLEMENT**

**(to Prospectus Dated April 25, 2014)**

**\$500,000,000**

**3.20% Notes due 2025**

We are offering \$500,000,000 aggregate principal amount of 3.20% notes due 2025 (the Notes ). Interest on the Notes is payable semi-annually in arrears on March 15 and September 15 of each year, beginning on September 15, 2015. The Notes will mature on March 15, 2025. We may redeem some or all of the Notes at any time or from time to time at our option at a redemption price equal to their principal amount plus a make-whole premium, as described under the caption Description of Notes Optional Redemption in this prospectus supplement. Commencing three months prior to their maturity date, we may redeem some or all of the Notes, at any time and from time to time, at a redemption price equal to the principal amount of the Notes being redeemed plus accrued and unpaid interest to, but excluding, the redemption date. If a change of control triggering event as described in the accompanying prospectus occurs, we may be required to offer to purchase the Notes from the holders at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest. See Description of Debt Securities Change of Control Triggering Event in the accompanying prospectus.

The Notes will be our unsecured and unsubordinated obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding. The Notes will be issued only in registered form in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

The Notes are a new issue of securities with no established trading market. We do not intend to list the Notes on any securities exchange.

**Investing in the Notes involves risks. You should read carefully the entire accompanying prospectus and this prospectus supplement and the documents incorporated by reference herein and therein, including the section entitled Risk Factors beginning on page S-4 of this prospectus supplement, page 5 of the accompanying prospectus and in our Annual Report on Form 10-K for the year ended December 31, 2014.**

**Neither the United States Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these 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.**

	<b>Per Note</b>	<b>Total</b>
Price to public (1)	99.584%	\$ 497,920,000
Underwriting discount	0.650%	\$ 3,250,000
Proceeds, before expenses, to Republic Services, Inc.	98.934%	\$ 494,670,000

(1) Plus accrued interest from March 11, 2015, if settlement occurs after that date.

We expect the Notes to be delivered in book-entry form only through the facilities of The Depository Trust Company for the accounts of its participants, including Clearstream Banking, société anonyme, and Euroclear Bank S.A./N.V., as operator of the Euroclear System, against payment in New York, New York on or about March 11, 2015.

*Joint Book-Running Managers*

**Barclays**

**BofA Merrill Lynch**

**J.P. Morgan**

**Deutsche Bank Securities**

**MUFG**

**SunTrust Robinson Humphrey**

**The date of this prospectus supplement is March 4, 2015**

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No person is authorized to give any information or to make any representations other than those contained or incorporated by reference into this prospectus supplement or the accompanying prospectus or in any free writing prospectus filed with the Securities and Exchange Commission. If given or made, such information or representations must not be relied upon as having been authorized. 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 those securities in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this prospectus supplement or the accompanying prospectus, nor any sale made hereunder and thereunder shall, under any circumstances, create any implication that there has been no change in Republic's affairs since the date hereof or that the information contained or incorporated by reference herein or therein is correct as of any time subsequent to the date of such information.

For purposes of this prospectus supplement and the accompanying prospectus, the terms "Company," "Republic," "we," "us," and "our" may, depending upon the context, refer to Republic Services, Inc., our consolidated subsidiaries, or to all of them taken as a whole.

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**FORWARD-LOOKING STATEMENTS**

This prospectus supplement and the accompanying prospectus and the documents incorporated by reference herein or therein contain certain forward-looking information about us that is intended to be covered by the safe harbor for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that are not historical facts. Words such as guidance, expect, will, may, anticipate, plan, estimate, project, intend, should, can, likely, could, outlook and similar expressions are intended to identify forward-looking statements. These statements include statements about our plans, strategies and prospects. Forward-looking statements are not guarantees of performance. These statements are based upon the current beliefs and expectations of our management and are subject to risk and uncertainties that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that the expectations will prove to be correct. Among the factors that could cause actual results to differ materially from the expectations expressed in the forward-looking statements are:

the impact on us of our substantial indebtedness, including on our ability to obtain financing on acceptable terms to finance our operations and growth strategy and to operate within the limitations imposed by financing arrangements;

general economic and market conditions, including inflation and changes in commodity pricing, fuel, interest rates, labor, risk, health insurance and other variable costs that generally are not within our control, and our exposure to credit and counterparty risk;

whether our estimates and assumptions concerning our selected balance sheet accounts, income tax accounts, final capping, closure, post-closure and remediation costs, available airspace, and projected costs and expenses related to our landfills and property and equipment (including our estimates of the fair values of the assets and liabilities acquired in our acquisition of Allied Waste Industries, Inc.), and labor, fuel rates and economic and inflationary trends, turn out to be correct or appropriate;

competition and demand for services in the solid waste industry;

price increases to our customers may not be adequate to offset the impact of increased costs, including labor, third-party disposal and fuel, and may cause us to lose volume;

our ability to manage growth and execute our growth strategy;

our compliance with, and future changes in, environmental and flow control regulations and our ability to obtain approvals from regulatory agencies in connection with operating and expanding our landfills;

our ability to retain our investment grade ratings for our debt;

our dependence on key personnel;

our dependence on large, long-term collection, transfer and disposal contracts;

our business is capital intensive and may consume cash in excess of cash flow from operations;

any exposure to environmental liabilities or remediation requirements, to the extent not adequately covered by insurance, could result in substantial expenses;

risks associated with undisclosed liabilities of acquired businesses;

risks associated with pending and future legal proceedings, including litigation, audits or investigations brought by or before any governmental body;

severe weather conditions, including those brought about by climate change, which could impair our financial results by causing increased costs, loss of revenue, reduced operational efficiency or disruptions to our operations;

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compliance with existing and future legal and regulatory requirements, including limitations or bans on disposal of certain types of wastes or on the transportation of waste, which could limit our ability to conduct or grow our business, increase our costs to operate or require additional capital expenditures;

potential increases in our costs if we are required to provide additional funding to any multi-employer pension plan to which we contribute or if a withdrawal event occurs with respect to any multi-employer pension plan to which we contribute;

the negative impact on our operations of union organizing campaigns, work stoppages or labor shortages;

the negative effect that trends toward requiring recycling, waste reduction at the source and prohibiting the disposal of certain types of wastes could have on volumes of waste going to landfills;

changes by the Financial Accounting Standards Board or other accounting regulatory bodies to generally accepted accounting principles or policies;

a cyber security incident could negatively impact our business and our relationships with customers; and

acts of war, riots or terrorism, including the continuing war on terrorism, as well as actions taken or to be taken by the United States or other governments as a result of further acts or threats of terrorism, and the impact of these acts on economic, financial and social conditions in the United States.

The risks included here are not exhaustive. Refer to **Risk Factors** for further discussion regarding our exposure to risks. You should be aware that any forward-looking statement made by us in this prospectus supplement and the accompanying prospectus or the documents incorporated herein or therein by reference or elsewhere, speaks only as of the date on which we make it. Additionally, new risk factors emerge from time to time and it is not possible for us to predict all such risk factors, or to assess the impact such risk factors might have on our business or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statements made in this prospectus supplement and the accompanying prospectus, the documents incorporated herein or therein by reference or elsewhere. You should not place undue reliance on these forward-looking statements. Except to the extent required by applicable law or regulation, we undertake no obligation to update or publish revised forward-looking statements to reflect events or circumstances after the date of this prospectus supplement, the accompanying prospectus or the documents incorporated by reference, as the case may be, or to reflect the occurrence of unanticipated events.



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**SUMMARY**

*This summary highlights selected information contained elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus. Because this is only a summary, it may not contain all of the information you should consider in making your investment decision. To understand all of the terms of this offering and for a more complete understanding of our business, you should carefully read this entire prospectus supplement and the accompanying prospectus, particularly the sections entitled *Risk Factors* in this prospectus supplement and the accompanying prospectus, and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus.*

**The Company**

We are the second largest provider of services in the domestic non-hazardous solid waste services industry, as measured by revenue. As of December 31, 2014, we operate in 39 states and Puerto Rico. We provide non-hazardous solid waste collection services for commercial, industrial, municipal and residential customers through 340 collection operations. We own or operate 198 transfer stations, 189 active solid waste landfills and 60 recycling centers. We also operate 72 landfill gas and renewable energy projects.

Based on an industry trade publication, the United States non-hazardous solid waste services industry generates annual revenue of approximately \$55 billion, of which approximately 45% is recognized by publicly owned waste companies. Industry data also indicates that the non-hazardous solid waste services industry in the United States remains fragmented as privately held companies and municipal and other local governmental authorities generate approximately 35% and 20%, respectively, of total industry revenue. We believe growth in the solid waste industry historically has been linked primarily to growth in the overall economy, including the level of new household and business formation and changes in residential and commercial construction activity.

We were incorporated as a Delaware corporation in 1996. Our principal and administrative offices are located at 18500 North Allied Way, Phoenix, Arizona 85054. Our telephone number at that location is (480) 627-2700. Our website is [www.republicservices.com](http://www.republicservices.com). The information on our website is not part of this prospectus supplement or the accompanying prospectus.

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*The following summary contains basic information about the Notes and is not intended to be complete. It may not contain all of the information that is important to you. Certain terms and conditions described below are subject to important limitations and exceptions. For a more complete description of the terms of the Notes, see Description of Notes.*

Issuer	Republic Services, Inc.
Securities Offered	\$500,000,000 aggregate principal amount of 3.20% notes due 2025.
Maturity Date	March 15, 2025.
Interest Rate	3.20%, accruing from the issue date of the Notes.
Interest Payment Dates	March 15 and September 15, beginning on September 15, 2015.
Ranking	The Notes will be our unsecured and unsubordinated obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding. The Notes will be senior to any of our subordinated indebtedness from time to time outstanding and will rank junior to our secured indebtedness from time to time outstanding to the extent of the value of the assets securing such indebtedness. The Notes will also be effectively junior in right of payment to all existing and future liabilities, including trade payables, of our subsidiaries.
Optional Redemption	At our option, we may redeem some or all of the Notes, at any time or from time to time, at a redemption price equal to their principal amount plus a make-whole premium, as described in this prospectus supplement, plus accrued and unpaid interest to, but excluding, the redemption date. Commencing three months before their maturity date, we may redeem some or all of the Notes, at any time and from time to time, at a redemption price equal to the principal amount of the Notes being redeemed plus accrued and unpaid interest to, but excluding, the redemption date. The redemption prices are described under Description of Notes Optional Redemption.
Change of Control	
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If we experience specific kinds of changes of control, each holder of the Notes will have the right to require us to purchase all or a portion of such holder's Notes, at a purchase price equal to 101% of the principal amount plus accrued and unpaid interest to, but excluding, the purchase date. See Description of Debt Securities Change of Control Triggering Event in the accompanying prospectus.

Covenants

The indenture governing the Notes provides for certain limitations on our ability and the ability of certain of our subsidiaries to (1) create liens on the capital stock or indebtedness of any subsidiary or certain property and (2) enter into sale and leaseback transactions.

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Consolidation, Mergers and Sales of Assets	We may not consolidate, merge or sell substantially all of our assets as an entirety, unless, among other requirements: (1) the successor corporation assumes our obligations on the Notes and (2) no Event of Default (as defined in the indenture governing the Notes) has occurred and is continuing.
Events of Default    Cross Default	Failure to pay when due any of our obligations or the obligations of certain of our subsidiaries in the aggregate principal amount of at least \$25 million that continues for 25 days after notice to us by the trustee or holders of at least 25% in principal amount of the Notes then outstanding constitutes a default under the indenture governing the Notes.
Use of Proceeds	We estimate that the net proceeds of this offering will be \$493.4 million, after deducting the underwriting discount and estimated offering expenses payable by us. We expect to use the net proceeds of this offering to refinance debt incurred in connection with our acquisition of all of the outstanding equity interests of Tervita, LLC, an environmental waste solutions subsidiary of Tervita Corporation, in the first quarter of 2015 for approximately \$485 million and other 2015 acquisitions. Because all or a portion of the net proceeds of this offering may be used to repay borrowings under our revolving credit agreements, affiliates of certain of the underwriters, including Barclays Capital Inc., J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Deutsche Bank Securities Inc., Mitsubishi UFJ Securities (USA), Inc. and SunTrust Robinson Humphrey Inc. may receive more than 5% of the net proceeds of the offering, and therefore the offering will be conducted in accordance with FINRA Rule 5121.
Trustee	U.S. Bank National Association <i>An investment in the Notes is subject to risk. Before you decide to invest in the Notes, you should consider the risk factors contained in Risk Factors beginning on page S-4 of this prospectus supplement and Risk Factors beginning on page 5 of the accompanying prospectus for a discussion of certain risks relating to us, our business and an investment in the Notes, as well as the risk factors in our Annual Report on Form 10-K for the year ended December 31, 2014 incorporated by reference in the accompanying prospectus.</i>

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**RISK FACTORS**

An investment in the Notes is subject to risk. Before you decide to invest in the Notes, you should consider the risk factors below and the risk factors listed under the heading **Risk Factors** on page 5 of the accompanying Prospectus. You also should consider the risk factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2014 incorporated by reference in the accompanying prospectus.

*We have substantial indebtedness, which may limit our financial flexibility.*

As of December 31, 2014, we had approximately \$7 billion in principal value of debt and capital leases outstanding. This amount of indebtedness and our debt service requirements may limit our financial flexibility to access additional capital and make capital expenditures and other investments in our business, to withstand economic downturns and interest rate increases, to plan for or react to changes in our business and our industry, and to comply with the financial and other covenants of our debt instruments. Further, our ability to comply with these financial and other covenants may be affected by changes in economic or business conditions or other events that are beyond our control. If we do not comply with these covenants, we may be required to take actions such as reducing or delaying capital expenditures, reducing or eliminating dividends or stock repurchases, selling assets, restructuring or refinancing all or part of our existing debt, or seeking additional equity capital.

*We may be able to incur substantially more debt. This could exacerbate the risks associated with our indebtedness.*

We and our subsidiaries may be able to incur substantial additional indebtedness in the future. The Notes and the existing terms of our other debt do not prohibit us and our subsidiaries from incurring significant additional indebtedness in the future, subject to maintenance of certain financial covenants in our credit facilities.

*We may not be able to purchase the Notes if we experience a change of control triggering event.*

If we experience a change of control triggering event, we will be required to offer to purchase each holder's Notes at a price equal to 101% of their principal amount plus accrued and unpaid interest. If such a change of control event occurs, we may not have sufficient financial resources to purchase all of the Notes that holders tender to us in connection with a change of control offer. The instruments governing our credit facilities also provide that a change of control will be a default that allows the lenders thereunder to accelerate the maturity of borrowings thereunder, and we have other debt that must be repurchased upon a change of control. Any future debt agreements may contain similar provisions. Our failure to purchase the Notes as required under the indenture governing the Notes would be a default, which could have material adverse consequences for us. See **Description of Debt Securities** **Change of Control Triggering Event** in the accompanying prospectus.

*The Notes are unsecured and will be effectively subordinated to all of our existing and future secured obligations to the extent of the collateral securing such obligations.*

The Notes are unsecured and will be effectively subordinated to all of our secured obligations from time to time outstanding to the extent of the collateral securing such obligations. As of December 31, 2014, we had \$113.8 million of secured debt outstanding, including obligations under capital leases. The indenture governing the Notes generally will allow us to incur liens in an amount up to, in addition to specified permitted liens, 20% of our Consolidated Net Tangible Assets (as defined in the indenture governing the Notes). As of December 31, 2014, the book value of our property and equipment, including landfill development costs, was \$7.2 billion.

*We conduct a substantial portion of our operations through our subsidiaries.*

Our cash flow and our ability to service debt, including the Notes, depends substantially on the distribution of earnings, loans or other payments made by our subsidiaries to us. If distributions from our subsidiaries to us were eliminated, delayed, reduced or otherwise impaired, our ability to make payments on the Notes would be substantially impaired.

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*Our subsidiaries will not guarantee the Notes and assets of our subsidiaries may not be available to make payments on the Notes. Your right to receive payment on the Notes will be structurally subordinated to the liabilities of our subsidiaries.*

None of our subsidiaries will guarantee, or be required to guarantee, the Notes. Payments on the Notes will only be required to be made by us and not our subsidiaries. Because many of our subsidiaries have other creditors and none of our subsidiaries are obligated to repay and do not guarantee repayment of the Notes, you cannot rely on our subsidiaries to make any payments on the Notes directly to you or to make sufficient distributions to us to enable us to satisfy our obligations to you under the Notes. Creditors of our subsidiaries (including trade creditors) generally will be entitled to payment from the assets of those subsidiaries before those assets can be distributed to us. As a result, the Notes will be structurally subordinated to the prior payment of all of the debts (including trade payables) of our subsidiaries. If any or all of our subsidiaries become the subject of a bankruptcy, liquidation or reorganization, the creditors of the subsidiary or subsidiaries, including debt holders, must be paid in full out of the subsidiary's or subsidiaries' assets before any monies may be distributed to us as the holder of the equity in the subsidiary or subsidiaries. As of December 31, 2014, our subsidiaries had approximately \$3 billion of indebtedness, accrued liabilities and other obligations. The Indenture governing the Notes does not limit our subsidiaries' ability to incur or guarantee additional indebtedness.

*Your ability to transfer the Notes may be limited by the absence of an active trading market, and there is no assurance that any active trading market will develop for the Notes.*

The Notes are a new issue of securities with no established trading market. We do not intend to list the Notes on any securities exchange. The underwriters have advised us that they intend to make a market in the Notes, as permitted by applicable laws and regulations. The underwriters, however, are not obligated to make a market in the Notes, and they may discontinue their market-making activities at any time without notice. Therefore, we cannot assure you that an active market for the Notes will develop or, if developed, that such a market will continue. In addition, subsequent to their initial issuance, the Notes may trade at a discount from their initial offering price, depending upon prevailing interest rates, the market for similar notes, our performance and other factors.

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

We estimate that the net proceeds of this offering will be \$493.4 million, after deducting the underwriting discount and estimated offering expenses payable by us. We expect to use the net proceeds of this offering to refinance debt incurred in connection with our acquisition of all of the outstanding equity interests of Tervita, LLC, an environmental waste solutions subsidiary of Tervita Corporation, in the first quarter of 2015 for approximately \$485 million and other 2015 acquisitions. The debt to be repaid represents borrowings under our revolving credit agreement maturing in 2017 of approximately \$215 million and under our revolving credit agreement maturing in 2019 of approximately \$275 million. The borrowings currently bear interest at 1.2%.

From time to time, we enter into treasury and interest rate locks for the purpose of managing exposure to fluctuations in interest rates in anticipation of future debt issuances. During February 2015, we entered into a number of interest rate lock agreements having an aggregate notional amount of \$200.0 million with fixed interest rates ranging from 2.2% to 2.3% to manage exposure to fluctuations in interest rates in anticipation of the planned issuance of the Notes.

**RATIO OF EARNINGS TO FIXED CHARGES**

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

	<b>Year Ended December 31,</b>				
	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
Ratio of earnings to fixed charges	3.4 x	3.2 x	3.0 x	2.9x	2.6x



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**DESCRIPTION OF NOTES**

The following description of the particular terms of the 3.20% Notes due March 15, 2025, (which represent a new series of, and are referred to in the accompanying prospectus as, the debt securities ) supplements, and to the extent inconsistent with, replaces the description of the general terms and provisions of the debt securities set forth in the accompanying prospectus.

We will issue the Notes under the indenture, dated as of November 25, 2009, between us and U.S. Bank National Association, as trustee, as supplemented by the fourth supplemental indenture, to be dated as of March 11, 2015. In this prospectus supplement we refer to that indenture as so supplemented as the indenture. The terms of the Notes include those set forth in the indenture and those made a part of the indenture by reference to the Trust Indenture Act of 1939, as amended.

The following description of certain provisions of the Notes and of the indenture is a summary and is subject to, and qualified in its entirety by reference to, the accompanying prospectus and the indenture. Not all the defined terms used in this prospectus supplement are defined here, and you should refer to the accompanying prospectus or indenture for the definitions of such terms. References, in this section only, to we, our and us refer to Republic Services, Inc., exclusive of our subsidiaries.

**General**

The Notes will:

accrue interest at the rate of 3.20% per year;

be initially limited to \$500,000,000 aggregate principal amount;

be issued in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof; and

mature on March 15, 2025.

Interest on the Notes will:

accrue from and including the date of issuance or the most recent interest payment date;

be payable in cash semi-annually in arrears on each March 15 and September 15 beginning on September 15, 2015;

be payable to the holders of record as of the close of business on the March 1 and September 1 immediately preceding the related interest payment dates; and

be computed on the basis of a 360-day year consisting of twelve 30-day months.

Additional Notes of the same class and series may be issued in one or more tranches from time to time, without notice to or the consent of the existing holders of the Notes. Additional Notes of the same class and series may not be fungible with the Notes for U.S. federal income tax purposes.

The Notes will be our unsecured and unsubordinated obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding. The Notes will be senior to any of our subordinated indebtedness from time to time outstanding and will rank junior to our secured indebtedness from time to time outstanding to the extent of the value of the assets securing such indebtedness. The Notes will also be effectively junior in right of payment to all existing and future liabilities, including trade payables, of our subsidiaries.

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### **Optional Redemption**

The Notes, at any time prior to the date that is three months before their maturity date, will be redeemable, as a whole or in part, at our option, at any time or from time to time, at a redemption price equal to the greater of:

- (1) 100% of the principal amount of the Notes to be redeemed, and
- (2) the sum of the present values of the remaining scheduled payments of principal and interest on the Notes to be redeemed, 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, plus 20 basis points.

In the case of each of clauses (1) and (2), accrued and unpaid interest will be payable to, but excluding, the redemption date.

At any time on or after the date that is three months before their maturity date, the Notes will be redeemable, as a whole or in part, at our option and at any time or from time to time, at a redemption price equal to 100% of the principal amount of the Notes to be redeemed plus accrued and unpaid interest thereon to, but excluding, the date of redemption.

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

On and after the redemption date, interest will cease to accrue on the Notes or any portion of the Notes called for redemption unless we default in the payment of the redemption price and accrued interest. On or before the redemption date, we will deposit with a paying agent (or the trustee) money sufficient to pay the redemption price of and accrued interest on the Notes to be redeemed on that date.

For purposes of the foregoing discussion of an optional redemption, the following definitions apply:

**Comparable Treasury Issue** means the U.S. Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term ( **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 Barclays Capital, Inc., J.P. Morgan Securities LLC or Merrill Lynch, Pierce, Fenner & Smith Incorporated, as selected by us, and their respective successors, or if each of such firms is unwilling or unable to select the Comparable Treasury Issue, an independent investment banking institution of national standing appointed by us.

**Reference Treasury Dealer** means each of Barclays Capital Inc., J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated and their respective successors, 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 for such firm another Primary Treasury Dealer and (2) up to three additional Primary Treasury Dealers selected by the Independent Investment Banker after consultation with us.

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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: (1) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated H.15(519) or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded U.S. Treasury securities adjusted to constant maturity under the caption Treasury Constant Maturities, for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after the Remaining Life, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue will be determined and the Treasury Rate will be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month); or (2) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per annum equal to the semiannual 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.

## **Change of Control Triggering Event**

If we experience specific kinds of changes of control, each holder of the Notes will have the right to require us to purchase all or a portion of such holder's Notes, at a purchase price equal to 101% of the principal amount plus accrued and unpaid interest. A description of the terms of such a required purchase is set forth in the accompanying prospectus under the heading Description of Debt Securities Change of Control Triggering Event.

## **Defeasance and Covenant Defeasance**

The provisions regarding defeasance and covenant defeasance in the accompanying prospectus will apply to the Notes.

## **Global Securities**

The Notes will be represented by one or more global securities that will be deposited with, or on behalf of, The Depository Trust Company, or DTC, the depository for the Notes, and registered in the name of Cede & Co., the nominee of DTC. So long as the Notes are represented by a global security or securities, the interest payable on the Notes will be paid to Cede & Co., the nominee of DTC, or its registered assigns, as the registered owner of the Notes, by wire transfer in immediately available funds on each interest payment date. If the Notes are no longer represented by a global security or securities, payment of interest on the Notes may, at our option, be made by check mailed to the address of the person entitled to payment. A description of DTC's procedures is set forth in the accompanying prospectus under the heading Description of Debt Securities Book-Entry System.

Indirect access to DTC's system is also available to other entities such as Clearstream Luxembourg, a société anonyme (Clearstream Luxembourg) the Euroclear System (Euroclear), banks, brokers, dealers and trust companies (collectively, the indirect participants) that clear through or maintain a custodial relationship with a participant, either directly or indirectly. Investors who are not participants may beneficially own securities held by or on behalf of DTC only through participants or indirect participants.

Clearstream Luxembourg is incorporated under the laws of Luxembourg as a professional depositary. Clearstream Luxembourg holds securities for its participating organizations ( Clearstream Luxembourg

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Participants ) and facilitates the clearance and settlement of securities transactions between Clearstream Luxembourg Participants through electronic book-entry changes in accounts of Clearstream Luxembourg Participants, thereby eliminating the need for physical movement of certificates. Clearstream Luxembourg provides Clearstream Luxembourg Participants with, among other things, services for safekeeping, administration, clearance and establishment of internationally traded securities and securities lending and borrowing. Clearstream Luxembourg interfaces with domestic markets in several countries. As a professional depository, Clearstream Luxembourg is subject to regulation by the Luxembourg Monetary Institute. Clearstream Luxembourg Participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations, and may include the underwriters. Indirect access to Clearstream Luxembourg is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream Luxembourg Participant either directly or indirectly.

Distributions with respect to Notes held beneficially through Clearstream Luxembourg will be credited to cash accounts of Clearstream Luxembourg Participants in accordance with its rules and procedures to the extent received by the U.S. depository for Clearstream Luxembourg.

Euroclear was created in 1968 to hold securities for participants of Euroclear ( Euroclear Participants ) and to clear and settle transactions between Euroclear Participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear includes various other services, including securities lending and borrowing and interfaces with domestic markets in several markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V. (the Euroclear Operator ), under contract with Euroclear Clearance Systems S.C., a Belgian cooperative corporation (the Cooperative ). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not the Cooperative. The Cooperative establishes policy for Euroclear on behalf of Euroclear Participants. Euroclear Participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the underwriters. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly.

The Euroclear Operator is regulated and examined by the Belgian Banking Commission. Distributions of principal and interest with respect to Notes held through Euroclear or Clearstream Luxembourg will be credited to the cash accounts of Euroclear or Clearstream Luxembourg participants in accordance with the relevant system's rules and procedures, to the extent received by such system's depository.

Links have been established among DTC, Clearstream Luxembourg and Euroclear to facilitate the initial issuance of the Notes and cross-market transfers of the Notes associated with secondary market trading. DTC will be linked indirectly to Clearstream Luxembourg and Euroclear through the DTC accounts of their respective U.S. depositories.

The information in this section concerning the operations and procedures of DTC, Clearstream Luxembourg and Euroclear has been obtained from sources we believe to be reliable, but neither we nor the underwriters take responsibility for their accuracy. These operations and procedures are solely within the control of DTC, Euroclear and Clearstream Luxembourg, as applicable, and are subject to change by them from time to time. None of Republic, the underwriters or the trustee takes any responsibility for these operations and procedures, and you are urged to contact DTC, Euroclear, Clearstream Luxembourg or their respective participants to discuss these matters.

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**MATERIAL UNITED STATES FEDERAL TAX CONSIDERATIONS**

**General**

The following is a summary of certain material U.S. federal income tax consequences and, in the case of a non-U.S. Holder (as defined below), certain material U.S. federal estate tax consequences, of the purchase, ownership and disposition of a Note. This summary applies to you only if you are a beneficial owner of a Note and you acquire the Note in this offering for a price equal to the issue price of the Note. The issue price of the Notes is the first price at which a substantial amount of the Notes is sold other than to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers. For purposes of this discussion, a U.S. Holder means a beneficial owner of a Note that, for U.S. federal income tax purposes, is either:

a citizen or resident alien individual of the United States;

a corporation (including for this purpose any other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States or any State thereof or the District of Columbia;

an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

a trust that (1) is subject to the primary supervision of a court within the United States and under the control of one or more United States persons (as defined for U.S. federal income tax purposes), or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a United States person.

A non-U.S. Holder means a beneficial owner of a Note that, for U.S. federal income tax purposes, is an individual, corporation (including for this purpose any other entity treated as a corporation for U.S. federal income tax purposes), trust or estate that is not a U.S. Holder.

This summary is based on provisions of the Internal Revenue Code of 1986, as amended (the Code), Treasury regulations issued thereunder, and administrative and judicial interpretations thereof, all as of the date of this prospectus supplement and all of which are subject to change or differing interpretation (perhaps retroactively), and is for general information only. We cannot assure you that a change in law will not alter significantly the tax considerations that we describe in this summary.

This summary addresses only beneficial owners of the Notes that hold the Notes as capital assets within the meaning of Section 1221 of the Code. This discussion also does not represent a detailed description of the U.S. federal income and estate tax consequences to prospective purchasers of the Notes in light of their particular circumstances. In addition, it does not represent a detailed description of the U.S. federal income and estate tax consequences applicable to prospective purchasers of the Notes that are subject to special treatment under the U.S. federal tax laws, such as taxpayers subject to the alternative minimum tax, U.S. expatriates or former long-term U.S. residents, banks or other financial institutions, regulated investment companies, real estate investment trusts, partnerships or other pass-through entities, or investors in such entities, individual retirement and other tax deferred accounts, brokers/dealers, dealers and traders in securities or currencies, insurance companies, tax-exempt organizations, persons holding Notes as part of a conversion, constructive sale, wash sale or other integrated transaction or a hedge, straddle or synthetic security,



any non-U.S. Holder that is classified as a controlled foreign corporation or passive foreign investment company for U.S. federal income tax purposes, or U.S. Holders whose functional currency is other than the U.S. dollar.

If a partnership (including for this purpose an entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds the Notes, the tax treatment of a partner generally will depend upon the status of the partner, the activities of the partnership and certain determinations made at the partner level. Non-U.S. partnerships also generally are subject to special tax documentation requirements.

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You should consult your own tax advisor concerning the particular U.S. federal income tax and other U.S. federal tax (such as estate and gift) consequences to you resulting from your ownership and disposition of a Note, as well as the consequences to you arising under the laws of any other taxing jurisdiction.

### **Contingent Payments**

In certain circumstances, we may be obligated to pay you amounts in excess of the principal payable on the Notes. The obligation to make such redemption premiums may implicate the provisions of Treasury regulations relating to contingent payment debt instruments. If the Notes were deemed to be contingent payment debt instruments, you might, among other things, be required to treat any gain recognized on the sale or other disposition of a Note as ordinary income rather than as capital gain, and the timing and amount of income inclusion may be different from the consequences discussed in this prospectus supplement. We intend to take the position that the likelihood that such payments will be made is remote or incidental and therefore the Notes are not subject to the rules governing contingent payment debt instruments. This determination will be binding on you unless you explicitly disclose on a statement attached to your timely filed U.S. federal income tax return for the taxable year that includes the acquisition date of the Note that your determination is different. The Internal Revenue Service (the IRS), however, may take a contrary position from that described above, in which case the tax consequences to you could differ materially and adversely from those described below. The remainder of this discussion assumes that the Notes will not be treated as contingent payment debt instruments.

### **U.S. Holders**

*Interest.* A U.S. Holder will have ordinary interest income equal to the amount of interest paid or accrued on a Note, includable in accordance with the U.S. Holder's regular method of tax accounting for U.S. federal income tax purposes.

*Dispositions.* A sale, exchange, redemption or other taxable disposition of a Note will result in capital gain or loss equal to the difference, if any, between the amount realized on the disposition (excluding amounts attributable to accrued and unpaid interest, which will be taxed as ordinary income to the extent not previously included in gross income by the U.S. Holder) and the U.S. Holder's tax basis in the Note. A U.S. Holder's tax basis for determining gain or loss generally will equal the purchase price of the Note to such U.S. Holder. Such gain or loss will be long-term capital gain or loss if the Note is held for more than one year as of the time of the disposition. The deductibility of capital losses is subject to limitations.

*Net Investment Income.* A tax of 3.8% is imposed on the net investment income of certain individuals, trusts and estates. Among other items, net investment income generally includes gross income from interest, including interest on the Notes, and net gain attributable to the disposition of certain property, including any gain from disposition of the Notes, less certain deductions. U.S. Holders should consult their own tax advisors regarding the possible implications of this legislation in their particular circumstances.

### **Non-U.S. Holders**

*Interest.* The United States generally imposes a 30% withholding tax on payments of interest to non-U.S. Holders. The 30% (or lower applicable treaty rate) U.S. federal withholding tax will not apply to a non-U.S. Holder in respect of any payment of interest on the Notes that is not effectively connected with the conduct of a U.S. trade or business provided that such holder:

does not actually (or constructively) own 10% or more of the total combined voting power of all classes of our voting stock within the meaning of the Code and the Treasury regulations;

is not a controlled foreign corporation that is related to us actually or constructively through sufficient stock ownership; and

(a) provides identifying information (i.e., name and address) to us or our paying agent on IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable (or other applicable form), and certifies, under

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penalty of perjury, that such holder is not a U.S. person or (b) a financial institution holding the Notes on behalf of such holder certifies, under penalty of perjury, that it has received the applicable IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable (or other applicable form) from the beneficial owner and provides us with a copy.

If a non-U.S. Holder cannot satisfy the requirements described above, payments of interest made to such non-U.S. Holder will be subject to the 30% U.S. federal withholding tax, unless such non-U.S. Holder provides the applicable withholding agent with a properly executed (1) IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable (or successor form) claiming an exemption from or reduction in withholding under the benefit of an income tax treaty or (2) IRS Form W-8ECI (or successor form) stating that interest paid on the Note is not subject to withholding tax because it is effectively connected with such non-U.S. Holder's conduct of a trade or business in the United States.

If a non-U.S. Holder is engaged in a trade or business in the United States and interest on the Note is effectively connected with the conduct of that trade or business (and, if required by an applicable income tax treaty, is attributable to a permanent establishment in the United States maintained by such non-U.S. Holder), such non-U.S. Holder, although exempt from the 30% withholding tax, generally will be subject to U.S. federal income tax on that interest on a net income basis in the same manner as if such holder were a United States person as defined under the Code. In addition, if a non-U.S. Holder is a non-U.S. corporation, it may be subject to a branch profits tax equal to 30% (or lower applicable treaty rate) of its earnings and profits for the taxable year, subject to adjustments, that are effectively connected with the conduct by it of a trade or business in the United States. For this purpose, effectively connected interest on Notes will be included in earnings and profits.

*Dispositions.* Any gain realized on the disposition of a Note by a non-U.S. Holder generally will not be subject to U.S. federal income or withholding tax unless: (1) that gain is effectively connected with the non-U.S. Holder's conduct of a trade or business in the United States (and, if required by an income tax treaty, is attributable to a U.S. permanent establishment maintained by such non-U.S. Holder); (2) such non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of that disposition and certain other conditions are met; or (3) in the case of disposition proceeds representing accrued interest, the non-U.S. Holder cannot satisfy the requirements of the complete exemption from withholding tax described above (and the non-U.S. Holder's U.S. federal income tax liability has not otherwise been fully satisfied through the U.S. federal withholding tax described above).

If a non-U.S. Holder's gain is effectively connected with such non-U.S. Holder's U.S. trade or business (and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment maintained by such non-U.S. Holder), such non-U.S. Holder generally will be required to pay U.S. federal income tax on the net gain derived from the sale in the same manner as if it were a United States person as defined under the Code. If such a non-U.S. Holder is a corporation, such non-U.S. Holder may also, under certain circumstances, be subject to a branch profits tax at a 30% rate (or lower applicable treaty rate). If a non-U.S. Holder is subject to the 183-day rule described above, such non-U.S. Holder generally will be subject to U.S. federal income tax at a flat rate of 30% (or a reduced rate under an applicable treaty) on the amount by which capital gains allocable to U.S. sources (including gains from the sale, exchange, retirement or other disposition of the Note) exceed capital losses allocable to U.S. sources, even though the non-U.S. Holder is not considered a resident alien under the Code.

*United States Federal Estate Tax.* If a holder of Notes is an individual and is not a U.S. citizen or a resident of the United States (as specially defined for U.S. federal estate tax purposes) at the time of such holder's death, the Notes of such holder generally will not be subject to the U.S. federal estate tax, unless, at the time of such holder's death:

the holder directly or indirectly, actually or constructively, owns 10% or more of the total combined voting power of all classes of our stock entitled to vote within the meaning of Section 871(h)(3) of the Code and the Treasury regulations thereunder; or

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the holder's interest on the Notes is effectively connected with such holder's conduct of a U.S. trade or business.

### **Information Reporting and Backup Withholding**

In general, information reporting requirements apply to interest paid to, and to the proceeds of a sale or other disposition of a Note (including a redemption) by, certain U.S. Holders. In addition, backup withholding applies to a U.S. Holder unless such U.S. Holder provides a correct taxpayer identification number and otherwise complies with applicable requirements of the backup withholding rules. Backup withholding generally does not apply to payments made to certain exempt U.S. persons.

In general, a non-U.S. Holder will not be subject to backup withholding and information reporting with respect to interest payments made to such non-U.S. Holder, provided that the applicable withholding agent has received from such non-U.S. Holder the certification described above under **Non-U.S. Holders' Interest** and the applicable withholding agent does not have actual knowledge or reason to know that such holder is a United States person. However, the applicable withholding agent may be required to report to the IRS and the non-U.S. Holder payments of interest on the Notes and the amount of tax, if any, withheld with respect to those payments. Copies of the information returns reporting such interest payments and any withholding may also be made available to the tax authorities in the country in which the non-U.S. Holder resides under the provisions of a treaty or agreement.

Payments of the proceeds of a sale or other disposition (including a redemption) of the Notes made to or through a non-U.S. office of non-U.S. financial intermediaries that do not have certain enumerated connections with the United States generally will not be subject to information reporting or backup withholding. In addition, a non-U.S. Holder will not be subject to backup withholding or information reporting with respect to the proceeds of the sale or other disposition of a Note within the United States or conducted through non-U.S. financial intermediaries with certain enumerated connections with the United States, if the payor receives the certification described above under **Non-U.S. Holders' Interest** or such holder otherwise establishes an exemption, provided that the payor does not have actual knowledge or reason to know that the non-U.S. Holder is a United States person or the conditions of any other exemption are not, in fact, satisfied.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund or credit against a holder's U.S. federal income tax liability provided the required information is furnished by such holder to the IRS in a timely manner.

### **Foreign Account Tax Compliance Act**

Pursuant to the Sections 1471 through 1474 of the Code and United States Treasury regulations promulgated thereunder (commonly referred to as **FATCA**), a separate U.S. withholding tax is imposed at the rate of 30% on payments of interest on the Notes and after December 31, 2016, on the gross proceeds from the sale or other taxable disposition of the Notes, made to non-U.S. financial institutions and certain other non-U.S. non-financial entities (including, in some instances, where such an entity is acting as an intermediary) that fail to comply with certain information reporting obligations. If an amount in respect of U.S. withholding tax were to be deducted or withheld from interest or principal payments on the Notes as a result of a holder's failure to comply with these rules or the presence in the payment chain of an intermediary that does not comply with these rules, neither we nor any paying agent nor any other person would be required to pay additional amounts as a result of the deduction or withholding of such tax. As a result, investors may receive less interest or principal than expected. Certain countries have entered into, and other countries are expected to enter into, agreements with the United States to facilitate the type of information reporting required under FATCA. While the existence of such agreements will not eliminate the risk that the Notes will be subject to withholding, these agreements are expected to reduce the risk of the withholding for

investors in (or indirectly holding notes through financial institutions in) those countries. Non-United States Holders should consult their own tax advisors regarding FATCA and whether it may be relevant to their purchase, ownership and disposition of the Notes.

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**Table of Contents****UNDERWRITING (CONFLICTS OF INTEREST)**

Barclays Capital Inc., J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated are acting as representatives of each of the underwriters named below. Subject to the terms and conditions of a firm commitment underwriting agreement among us and the underwriters, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase the principal amount of Notes indicated in the following table.

<b>Underwriter</b>	<b>Principal Amount of Notes</b>
Barclays Capital Inc. .	\$ 100,000,000
J.P. Morgan Securities LLC	100,000,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	100,000,000
Deutsche Bank Securities Inc.	50,000,000
Mitsubishi UFJ Securities (USA), Inc.	50,000,000
SunTrust Robinson Humphrey, Inc.	50,000,000
Mizuho Securities USA Inc.	25,000,000
RBS Securities Inc.	25,000,000
<b>Total</b>	<b>\$ 500,000,000</b>

Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed, severally and not jointly, to purchase all of the Notes being offered, if any are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the non-defaulting underwriters may be increased, or the underwriting agreement may be terminated.

Notes sold by the underwriters to the public initially will be offered at the initial public offering price set forth on the cover of this prospectus supplement. Any Notes sold by the underwriters to securities dealers may be sold at a discount from the initial public offering price of up to 0.40% of the principal amount of the Notes. Any such securities dealers may resell any Notes purchased from the underwriters to certain other brokers or dealers at a discount from the initial public offering price of up to 0.25% of the principal amount of the Notes.

The underwriters are offering the Notes, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the Notes, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officer's certificates and legal opinions. If all the Notes are not sold at the initial offering price, the underwriters may change the offering price and the other selling terms. The offering of the Notes by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.

The Notes are a new issue of securities with no established trading market. We do not intend to list the Notes on any securities exchange. The underwriters have advised us that they intend to make a market in the Notes, but they are not obligated to do so and may discontinue market making at any time without notice. We cannot assure you as to the liquidity of the trading market, if any, for the Notes.



In connection with the offering, the underwriters may purchase and sell Notes in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of Notes than the underwriters are required to purchase in the offering. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Notes while the offering is in progress.

The underwriters also may impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the other underwriters have repurchased Notes sold by or for the account of such underwriter in stabilizing or short covering transactions.

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These activities by the underwriters, as well as other purchases made by the underwriters for their own accounts, may stabilize, maintain or otherwise affect the market price of the Notes. As a result, the price of the Notes may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the underwriters at any time. These transactions may be effected in the over-the-counter market or otherwise.

We expect to deliver the Notes against payment for them on or about the date specified in the last paragraph of the cover page of this prospectus supplement, which will be the fifth business day following the date of the pricing of the Notes. Under Rule 15c6-1 under the Securities Exchange Act of 1934, as amended, trades in the secondary market generally must settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes on the date of pricing or the following business day will be required, by virtue of the fact that the Notes initially will settle in T+5 business days, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement.

We estimate that our share of the total expenses of the offering, excluding the underwriting discount, will be \$1.25 million.

We have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters and their respective affiliates have engaged in, and may in the future engage in, commercial banking, derivatives and/or financial advising, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions. In addition, affiliates of certain of the underwriters are lenders under our credit facilities. In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/ or instruments of Republic. If any of the underwriters and their affiliates has a lending relationship with us, certain of these underwriters or their affiliates routinely hedge, and certain other of these underwriters or their affiliates may hedge, their credit exposure to us consistent with their customary risk management policies. Typically, these underwriters and their affiliates would hedge such exposure by entering into transactions that consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. J.P. Morgan Securities LLC acted as our financial adviser in connection with the acquisition of all of the outstanding equity interests of Tervita, LLC, an environmental waste solutions subsidiary of Tervita Corporation.

## **Conflicts of Interest**

Because all or a portion of the net proceeds of this offering may be used to repay borrowings under our revolving credit agreements, affiliates of certain of the underwriters, including Barclays Capital Inc., J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Deutsche Bank Securities Inc., Mitsubishi UFJ Securities (USA), Inc. and SunTrust Robinson Humphrey Inc. may receive more than 5% of the net proceeds of the offering, and

therefore the offering will be conducted in accordance with FINRA Rule 5121.

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

In relation to each Member State of the European Economic Area that has implemented the Prospectus Directive (each, a Relevant Member State ), each underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive was implemented in that Relevant Member State (the Relevant Implementation Date ) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this prospectus supplement to the public in that Relevant Member State other than:

- (a) to any legal entity that is a qualified investor as defined in the Prospectus Directive;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant underwriter or underwriters nominated by us for any such offer; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of any Notes shall require us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an offer of Notes to the public in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe any Notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State. The expression Prospectus Directive means Directive 2003/71/EC, as amended, including by Directive 2010/73/EU, and includes any relevant implementing measure in the Relevant Member State.

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

This prospectus supplement and the accompanying prospectus are only being distributed to, and are only directed at, (1) persons who are outside the United Kingdom, (2) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order ) or (3) high net worth entities, and such other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (each such person being referred to as a relevant person ). The Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire the Notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this prospectus supplement or the accompanying prospectus or any of their contents.

Each underwriter has represented and agreed, that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended (the FSMA )) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does

not apply to us; and

- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

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**LEGAL MATTERS**

The validity of the Notes will be passed upon for Republic by Mayer Brown LLP, Chicago, Illinois. Certain legal matters will be passed upon for the underwriters by Freshfields Bruckhaus Deringer US LLP, New York, New York.

**EXPERTS**

The consolidated financial statements of Republic Services, Inc. appearing in Republic Services, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2014, and the effectiveness of Republic Services, Inc.'s internal controls over financial reporting as of December 31, 2014, have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their reports thereon, included therein, and incorporated herein or in the accompanying prospectus, by reference. Such financial statements are, and audited financial statements to be included in subsequently filed documents will be, incorporated herein in reliance upon the reports of Ernst & Young LLP pertaining to such financial statements and the effectiveness of our internal control over financial reporting as of the respective dates (to the extent covered by consents filed with the Securities and Exchange Commission) given on the authority of such firm as experts in accounting and auditing.

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**PROSPECTUS**

**Republic Services, Inc.**

**Debt Securities**

**Common Stock**

**Preferred Stock**

**Warrants**

**Stock Purchase Contracts**

**Stock Purchase Units**

**Subscription Rights**

We may use this prospectus from time to time to offer debt securities, shares of our common stock, shares of our preferred stock, warrants to purchase our debt securities, common stock or preferred stock, stock purchase contracts, stock purchase units and subscription rights. We refer to our debt securities, common stock, preferred stock, warrants, stock purchase contracts, stock purchase units and subscription rights collectively as the securities. Any or all of the securities may be offered and sold separately or together. The debt securities and preferred stock may be convertible into or exchangeable or exercisable for other securities. We will provide specific terms of these securities, and the manner in which these securities will be offered, in supplements to this prospectus. The prospectus supplements may also add, update or change information contained in this prospectus.

Our common stock is listed on the New York Stock Exchange under the symbol RSG.

**Investing in securities involves risks. You should carefully read this prospectus and the applicable prospectus supplement, including the section entitled Risk Factors beginning on page 5 of this prospectus, the section entitled Risk Factors in the applicable prospectus supplement and risk factors in our periodic reports and other information filed with the Securities and Exchange Commission before investing in our securities.**

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

**The date of this prospectus is April 25, 2014.**



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**ABOUT THIS PROSPECTUS**

This prospectus is part of an automatic shelf registration statement that we filed with the Securities and Exchange Commission (the Commission or the SEC), as a well-known seasoned issuer as defined in Rule 405 under the Securities Act of 1933, as amended (the Securities Act). Under this shelf registration process, we may sell, from time to time, an indeterminate amount of any combination of the securities described in this prospectus in one or more offerings. This prospectus provides you with a general description of the securities we may offer, which is not meant to be a complete description of any security. Each time that securities are sold, a prospectus supplement containing specific information about the terms of that offering will be provided, including the specific amounts, prices and terms of the securities offered. The prospectus supplement and any other offering material may also add to, update or change information contained in this prospectus or in documents we have incorporated by reference into this prospectus. We urge you to read both this prospectus and any prospectus supplement and any other offering material (including any free writing prospectus) prepared by or on behalf of us for a specific offering of securities, together with additional information described under the heading Documents Incorporated by Reference into this Prospectus on page 4 of this prospectus and under the heading Where You Can Find More Information on page 27 of this prospectus. You should rely only on the information contained or incorporated by reference in this prospectus and any prospectus supplement. We have not authorized anyone to provide you with different information. We are not making an offer to sell or soliciting an offer to purchase these securities in any jurisdiction where the offer or sale is not permitted.

You should not assume that the information contained in this prospectus or any prospectus supplement is accurate on any date other than the date on the front cover of such document or that any information we have incorporated by reference is correct on any date subsequent to the date of the document incorporated by reference, even though this prospectus or any prospectus supplement is delivered or securities are sold on a later date. Neither the delivery of this prospectus or any applicable prospectus supplement nor any distribution of securities pursuant to such documents shall, under any circumstances, create any implication that there has been no change in the information set forth in this prospectus or any prospectus supplement or in our affairs since the date of this prospectus or any prospectus

supplement.

As used in this prospectus the terms the Company, Republic, we, us, and our may, depending upon the context, to Republic Services, Inc., our consolidated subsidiaries, or to all of them taken as a whole.

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**DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus, any prospectus supplement and the documents incorporated by reference herein and therein contain certain forward-looking information about us that is intended to be covered by the safe harbor for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that are not historical facts. Words such as guidance, expect, will, may, anticipate, plan, estimate, intend, should, can, likely, could, outlook and similar expressions are intended to identify forward-looking statements. These statements include statements about our plans, strategies and prospects. Forward-looking statements are not guarantees of performance. These statements are based upon the current beliefs and expectations of our management and are subject to risk and uncertainties that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that the expectations will prove to be correct. Among the factors that could cause actual results to differ materially from the expectations expressed in the forward-looking statements are:

the impact on us of our substantial indebtedness, including on our ability to obtain financing on acceptable terms to finance our operations and growth strategy and to operate within the limitations imposed by financing arrangements;

general economic and market conditions, including inflation and changes in commodity pricing, fuel, interest rates, labor, risk, health insurance and other variable costs that generally are not within our control, and our exposure to credit and counterparty risk;

whether our estimates and assumptions concerning our selected balance sheet accounts, income tax accounts, final capping, closure, post-closure and remediation costs, available airspace, and projected costs and expenses related to our landfills and property and equipment (including our estimates of the fair values of the assets and liabilities acquired in our acquisition of Allied), and labor, fuel rates and economic and inflationary trends, turn out to be correct or appropriate;

competition and demand for services in the solid waste industry;

price increases to our customers may not be adequate to offset the impact of increased costs, including labor, third-party disposal and fuel, and may cause us to lose volume;

our ability to manage growth and execute our growth strategy;

our compliance with, and future changes in, environmental and flow control regulations and our ability to obtain approvals from regulatory agencies in connection with operating and expanding our landfills;

our ability to retain our investment grade ratings for our debt;

our dependence on key personnel;

our dependence on large, long-term collection, transfer and disposal contracts;

our business is capital intensive and may consume cash in excess of cash flow from operations;

any exposure to environmental liabilities or remediation requirements, to the extent not adequately covered by insurance, could result in substantial expenses;

risks associated with undisclosed liabilities of acquired businesses;

risks associated with pending and future legal proceedings, including litigation, audits or investigations brought by or before any governmental body;

severe weather conditions, including those brought about by climate change, which could impair our financial results by causing increased costs, loss of revenue, reduced operational efficiency or disruptions to our operations;

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compliance with existing and future legal and regulatory requirements, including limitations or bans on disposal of certain types of wastes or on the transportation of waste, which could limit our ability to conduct or grow our business, increase our costs to operate or require additional capital expenditures;

potential increases in our costs if we are required to provide additional funding to any multi-employer pension plan to which we contribute or if a withdrawal event occurs with respect to any multi-employer pension plan to which we contribute;

the negative impact on our operations of union organizing campaigns, work stoppages or labor shortages;

the negative effect that trends toward requiring recycling, waste reduction at the source and prohibiting the disposal of certain types of wastes could have on volumes of waste going to landfills;

changes by the Financial Accounting Standards Board or other accounting regulatory bodies to generally accepted accounting principles or policies; and

acts of war, riots or terrorism, including the continuing war on terrorism, as well as actions taken or to be taken by the United States or other governments as a result of further acts or threats of terrorism, and the impact of these acts on economic, financial and social conditions in the United States.

The risks included here are not exhaustive. Refer to **Risk Factors** for further discussion regarding our exposure to risks. You should be aware that any forward-looking statement made by us in this prospectus, any prospectus supplement or the documents incorporated herein or therein by reference or elsewhere, speaks only as of the date on which we make it. Additionally, new risk factors emerge from time to time and it is not possible for us to predict all such risk factors, or to assess the impact such risk factors might have on our business or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statements made in this prospectus, any prospectus supplement or the documents incorporated herein or therein by reference or elsewhere might not occur. You should not place undue reliance on these forward-looking statements. Except to the extent required by applicable law or regulation, we undertake no obligation to update or publish revised forward-looking statements to reflect events or circumstances after the date of this prospectus, any prospectus supplement or the documents incorporated by reference, as the case may be, or to reflect the occurrence of unanticipated events.

**DOCUMENTS INCORPORATED BY REFERENCE INTO THIS PROSPECTUS**

We file annual, quarterly and special reports and other information with the SEC. See **Where You Can Find More Information**. The following documents are incorporated into this prospectus by reference:

Republic's Annual Report on Form 10-K for the year ended December 31, 2013;

Republic's Quarterly Report on Form 10-Q for the quarter ended March 31, 2014;

Republic's Current Report on Form 8-K, dated February 11, 2014;

The description of Republic's common stock, \$0.01 par value, contained in Republic's Registration Statement on Form 8-A originally filed with the Commission on June 30, 1998, including all amendments or reports filed for the purpose of updating the description included therein; and

All documents filed by us under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act), after the date of the filing of the registration statement of which this prospectus is a part until the offering is terminated (other than Current Reports on Form 8-K or portions thereof furnished under Item 2.02 or 7.01 of Form 8-K and portions of other documents, which under applicable securities laws are deemed furnished and not filed with the Commission).

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Any statement made in this prospectus, a prospectus supplement or a document incorporated by reference in this prospectus or a prospectus supplement will be deemed to be modified or superseded for purposes of this prospectus and any applicable prospectus supplement to the extent that a statement contained in an amendment or subsequent amendment to this prospectus or an applicable prospectus supplement, in any subsequent applicable prospectus supplement or in any other subsequently filed document incorporated by reference herein or therein adds, updates or changes that statement. Any statement so affected will not be deemed, except as so affected, to constitute a part of this prospectus or any applicable prospectus supplement.

You may obtain a copy of these filings, excluding exhibits (unless such exhibits are specifically incorporated by reference in such filings), free of charge, by oral or written request directed to: Republic Services, Inc., 18500 North Allied Way, Phoenix, AZ 85054, Attention: Investor Relations, Phone: (480) 627-2700.

Information on Republic's website is not part of this prospectus, and you should not rely on that information in making your investment decision unless that information is also in this prospectus or has been expressly incorporated by reference into this prospectus.

**THE COMPANY**

We are the second largest provider of services in the domestic non-hazardous solid waste industry, as measured by revenue. As of March 31, 2014, we provide non-hazardous solid waste collection services for commercial, industrial, municipal and residential customers through 336 collection companies in 39 states and Puerto Rico. We own or operate 199 transfer stations, 190 active solid waste landfills and 64 recycling centers. We also operate 69 landfill gas and renewable energy projects.

We were incorporated as a Delaware corporation in 1996. Our principal and administrative offices are located at 18500 North Allied Way, Phoenix, Arizona 85054. Our telephone number at that location is (480) 627-2700. Our website is located at <http://www.republicservices.com>. The information on our website is not part of this prospectus.

**RATIOS OF EARNINGS TO FIXED CHARGES**

The following table shows our ratio of earnings to fixed charges for the three months ended March 31, 2014 and for each of the years ended December 31, 2013, 2012, 2011, 2010 and 2009. For the purpose of computing these ratios, the numerator, earnings, consists of income from continuing operations before provision for income taxes plus interest expense and an estimate of interest within rent expense divided by the denominator, fixed charges, which consists of interest expense including amounts capitalized and an estimate of interest within rent expense. We did not have any preferred stock outstanding and we did not pay or accrue any preferred stock dividends during the periods presented below.

	<b>Three Months</b>		<b>Year Ended December 31,</b>			
	<b>Ended March 31,</b>					
	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Ratio of earnings to fixed charges	3.4	3.2	3.0	2.9	2.6	2.4

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**RISK FACTORS**

An investment in our securities involves a high degree of risk. Prior to making a decision about investing in our securities, you should carefully consider the risks and uncertainties described under Risk Factors in the applicable prospectus supplement and in our most recent annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, including any amendments to such reports, incorporated by reference in the registration statement of which this prospectus is a part, together with all other information contained and incorporated by reference in this prospectus and the applicable prospectus supplement. The risks and uncertainties described herein and therein are not the only ones facing us. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may occur. The occurrence of any of those risks and uncertainties may materially adversely affect our financial condition, results of operations, cash flows or business. In that case, the price or value of our securities could decline and you could lose all or part of your investment. For more information, see Documents Incorporated by Reference into this Prospectus on page 4 of this prospectus and Where You Can Find More Information on page 27 of this prospectus.

**USE OF PROCEEDS**

Unless otherwise described in the applicable prospectus supplement, the net proceeds from the sale of the offered securities will be used for general corporate purposes.

**DESCRIPTION OF SECURITIES**

This prospectus contains summary descriptions of the debt securities, capital stock, warrants, stock purchase contracts, stock purchase units and subscription rights that we may offer and sell from time to time. These summary descriptions are not meant to be complete descriptions of any security. At the time of an offering and sale, this prospectus together with the accompanying prospectus supplement will contain the material terms of the securities being offered.

**DESCRIPTION OF DEBT SECURITIES**

This section describes the general terms that will apply to any debt securities we may offer in the future, to which a future prospectus supplement may relate. When we offer debt securities, we will describe in the prospectus supplement that relates to that offering (1) the specific terms of the debt securities and (2) the extent to which the general terms described in this section apply to those debt securities.

The debt securities are to be issued under one or more of the following three indentures: (a) the indenture, dated as of September 8, 2009, between us and The Bank of New York Mellon Trust Company, N.A., as trustee, (b) the indenture, dated as of November 25, 2009, between us and U.S. Bank National Association, as trustee, or (c) the indenture, dated as of May 21, 2012, between us and Wells Fargo Bank, National Association, as trustee, each of which is included as an exhibit to the registration statement to which this prospectus forms a part. In the discussion that follows, we summarize particular provisions of the indentures. Whenever particular provisions or defined terms in the indentures are referred to in this prospectus, these provisions or defined terms are incorporated by reference in this prospectus. References, in this section only, to we, our and us refer to Republic Services, Inc., exclusive of our subsidiaries. Our discussion of indenture provisions is not complete. You should read the indentures for a more complete understanding of the provisions we describe.

Debt securities offered by this prospectus will be our unsecured unsubordinated obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding. The debt securities will be senior to any of our subordinated indebtedness from time to time outstanding and will rank





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junior to our secured indebtedness from time to time outstanding to the extent of the value of the assets securing such indebtedness. The debt securities will also be effectively junior in right of payment to all existing and future liabilities, including trade payables, of our subsidiaries.

### **General**

There is no requirement under any of the indentures that future issues of our debt securities be issued under that indenture, and we will be free to use other indentures or documentation, containing provisions different from those included in the indentures or applicable to one or more series of debt securities, in connection with future issues of such other debt securities.

The indentures provide that the debt securities will be issued in one or more series. The debt securities may be issued at various times and may have differing maturity dates and may bear interest at differing rates. Without the consent of the holders of the debt securities, we may reopen a previous issue of debt securities under an indenture, unless the reopening is restricted when the series of debt securities is created. The prospectus supplement applicable to each series of debt securities will specify:

the indenture under which the debt securities are issued;

the designation and aggregate principal amount of such debt securities;

the percentage of their principal amount at which such debt securities will be issued;

the date or dates on which such debt securities will mature;

the interest rate or rates, or method of calculation of such rate or rates, on such debt securities, and the date from which such interest shall accrue;

the dates on which such interest will be payable or method by which such dates are to be determined;

the record dates for payments of interest;

the period or periods within which, the price or prices at which, and the terms and conditions upon which, such debt securities may be repaid, in whole or in part, at our option;

the place or places, if any, in addition to or in the place of our office or the office of the trustee, where the principal of (and premium, if any) and interest, if any, on such debt securities shall be payable and where notices to us shall be sent; and

other specific terms applicable to such debt securities.

In addition to describing the specific terms of the applicable series of debt securities, the applicable prospectus supplement will contain a summary of certain United States federal income tax consequences applicable to such series of debt securities.

Unless otherwise indicated in the applicable prospectus supplement, the debt securities will be denominated in United States dollars in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

### **Optional Redemption**

Unless otherwise indicated in the applicable prospectus supplement, the debt securities will be redeemable, as a whole or in part, at our option, at any time or from time to time, at a redemption price equal to the greater of:

- (1) 100% of the principal amount of the debt securities to be redeemed, and
- (2) the sum of the present values of the remaining scheduled payments of principal and interest on the debt securities to be redeemed 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, plus a specified number of basis points, which we will set forth in a prospectus supplement.

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In the case of each of clauses (1) and (2), accrued interest will be payable to the redemption date.

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

On and after the redemption date, interest will cease to accrue on the debt securities or any portion of the debt securities called for redemption unless we default in the payment of the redemption price and accrued interest. On or before the redemption date, we will deposit with a paying agent (or the trustee) money sufficient to pay the redemption price of and accrued interest on the debt securities to be redeemed on that date.

For purposes of the foregoing discussion of an optional redemption, the following definitions apply:

*Comparable Treasury Issue* means the U.S. Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term ( Remaining Life ) of the debt securities 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 debt securities.

*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 any of the firms set forth in the prospectus supplement with respect to any series of debt securities, or, if all of such firms are unwilling or unable to select the Comparable Treasury Issue, an independent investment banking institution of national standing appointed by us.

*Reference Treasury Dealer* means (1) any of the firms set forth in the prospectus supplement with respect to any series of debt securities and their respective successors, 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 for such firm another Primary Treasury Dealer and (2) any other Primary Treasury Dealer selected by the Independent Investment Banker after consultation with us.

*Reference Treasury Dealer Quotations* means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by any 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 such 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, (1) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated H.15(519) or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded U.S. Treasury securities adjusted to constant maturity under the caption Treasury Constant Maturities, for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after the Remaining Life, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue will be determined and the Treasury Rate will be interpolated

or extrapolated from such yields on a straight line basis, rounding to the nearest month) or (2) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per annum equal to the semi-

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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.

### **Change of Control Triggering Event**

Unless otherwise indicated in the applicable prospectus supplement, upon the occurrence of a Change of Control Triggering Event with respect to the debt securities of any series, unless we have exercised our right to redeem the debt securities of that series as described under Optional Redemption, each holder of debt securities of that series will have the right to require us to purchase all or a portion (equal to \$2,000 or an integral multiple of \$1,000 in excess thereof) of such holder's debt securities of that series 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, to the date of purchase (the Change of Control Payment), subject to the rights of holders of debt securities of that series on the relevant record date to receive interest due on the relevant interest payment date.

Within 30 days following the date upon which the Change of Control Triggering Event occurred with respect to the debt securities of that series, 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 mail, a notice to each holder of debt securities of the applicable series, with a copy to the trustee, which notice will govern the terms of the Change of Control Offer. Such notice will state, among other things, the purchase date, which must be no earlier than 30 days nor later than 60 days from the date such notice is mailed, other than as may be required by law (the Change of Control Payment Date). The notice, if mailed prior to the date of consummation of the Change of Control, will state that the Change of Control Offer is conditioned on the Change of Control being consummated on or prior to the Change of Control Payment Date.

On the Change of Control Payment Date, we will, to the extent lawful: (1) accept or cause a third party to accept for payment all debt securities or portions of debt securities properly tendered pursuant to the Change of Control Offer; (2) deposit or cause a third party to deposit with the paying agent an amount equal to the Change of Control Payment in respect of all debt securities or portions of debt securities properly tendered; and (3) deliver or cause to be delivered to the trustee the debt securities accepted together with an officers' certificate stating the aggregate principal amount of debt securities or portions of debt securities being repurchased.

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

We will comply in all material respects with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the debt securities of the applicable series as a result of a Change of Control Triggering Event. To the extent that the provisions of any such securities laws or regulations conflict with the Change of Control Offer provisions of the debt securities, we will comply with those securities laws and regulations and will not be deemed to have breached our obligations under the Change of Control Offer provisions of the debt securities by virtue of any such conflict.

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For purposes of the foregoing discussion of a Change of Control Offer, the following definitions apply:

*Change of Control* means the occurrence of any of the following after the date of issuance of the debt securities:

- (1) the direct or indirect 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 Republic Services, Inc. and its Subsidiaries taken as a whole to any person or group (as those terms are used in Section 13(d)(3) of the Exchange Act) other than to Republic Services, Inc. or one of its Subsidiaries;
- (2) the consummation of any transaction (including any merger or consolidation) the result of which is that any person or group (as those terms are used in Section 13(d)(3) of the Exchange Act, it being agreed that an employee of Republic Services, Inc. or any of its Subsidiaries for whom shares are held under an employee stock ownership, employee retirement, employee savings or similar plan and whose shares are voted in accordance with the instructions of such employee shall not be a member of a group (as that term is used in Section 13(d)(3) of the Exchange Act) solely because such employee's shares are held by a trustee under said plan) becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of our Voting Stock representing more than 50% of the voting power of our outstanding Voting Stock;
- (3) we consolidate with, or merge with or into, any Person, or any Person consolidates with, or merges with or into, us, in any such event pursuant to a transaction in which any of our outstanding Voting Stock or Voting Stock of such other Person is converted into or exchanged for cash, securities or other property, other than any such transaction where our Voting Stock outstanding immediately prior to such transaction constitutes, or is converted into or exchanged for, Voting Stock representing more than 50% of the voting power of the Voting Stock of the surviving Person immediately after giving effect to such transaction;
- (4) during any period of 24 consecutive calendar months, the majority of the members of our board of directors shall no longer be composed of individuals (a) who were members of our board of directors on the first day of such period or (b) whose election or nomination to our board of directors was approved by individuals referred to in clause (a) above constituting, at the time of such election or nomination, at least a majority of our board of directors or, if directors are nominated by a committee of our board of directors, constituting at the time of such nomination, at least a majority of such committee; or
- (5) the adoption of a plan relating to our liquidation or dissolution.

*Change of Control Triggering Event* means, with respect to the debt securities of any series, the debt securities of that series cease to be rated Investment Grade by each of the Rating Agencies on any date during the period (the

Trigger Period ) commencing 60 days prior to the first public announcement by us of any Change of Control (or pending Change of Control) and ending 60 days following consummation of such Change of Control (which Trigger Period will be extended following consummation of a Change of Control for so long as any of the Rating Agencies has publicly announced that it is considering a possible ratings change). If a Rating Agency is not providing a rating for the debt securities of any series at the commencement of any Trigger Period, the debt securities of that series will be deemed to have ceased to be rated Investment Grade by such Rating Agency during that Trigger Period.

Notwithstanding the foregoing, no Change of Control Triggering Event will be deemed to have occurred in connection with any particular Change of Control unless and until such Change of Control has actually been consummated.

*Investment Grade* means a rating of Baa3 or better by Moody's (or its equivalent under any successor rating category of Moody's) and a rating of BBB- or better by S&P (or its equivalent under any successor rating category of S&P), and the equivalent investment grade credit rating from any replacement rating agency or rating agencies

selected by us under the circumstances permitting us to select a replacement agency.



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*Moody's* means Moody's Investors Service, Inc., a subsidiary of Moody's Corporation, and its successors.

*Person* means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivisions thereof.

*Rating Agency* means each of Moody's and S&P; provided, that if either of Moody's or S&P ceases to rate the debt securities of any series or fails to make a rating of the debt securities of that series publicly available for reasons outside our control, we may appoint another nationally recognized statistical rating organization within the meaning of Section 3(a)(62) under the Exchange Act as a replacement for such Rating Agency, provided, that we shall give notice of such appointment to the trustee.

*S&P* means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., and its successors.

*Voting Stock* of any Person as of any date means the capital stock of such Person that is at the time entitled to vote generally in the election of the board of directors of such Person.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of all or substantially all of the properties or assets of Republic Services, Inc. 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 applicability of the requirement that we offer to repurchase the debt securities as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of Republic Services, Inc. and its Subsidiaries taken as a whole to another Person or group may be uncertain.

In addition, under a Delaware Chancery Court interpretation of a change of control repurchase requirement with a continuing director provision, a board of directors may approve a slate of shareholder-nominated directors without endorsing them or while simultaneously recommending and endorsing its own slate instead. The foregoing interpretation would permit our board to approve a slate of directors that included a majority of dissident directors nominated pursuant to a proxy contest, and the ultimate election of such dissident slate would not constitute a Change of Control Triggering Event that would trigger your right to require us to repurchase your debt securities as described above.

## **Certain Covenants**

Unless otherwise indicated in the applicable prospectus supplement, the following restrictions will apply to each series of debt securities:

*Restrictions on Liens.* We will not, and will not permit any Restricted Subsidiary to, Incur any Lien on any shares of stock, Indebtedness or other obligations of a Subsidiary or any Principal Property of ours or a Restricted Subsidiary, whether such shares of stock, Indebtedness or other obligations of a Subsidiary or Principal Property is owned at the date of the applicable indenture or thereafter acquired, without in any such case effectively providing that all the debt securities issued under the applicable indenture will be directly secured equally and ratably with such Lien. These restrictions do not apply to:

(1) the Incurrence of any Lien on any shares of stock, Indebtedness or other obligations of a Subsidiary or any Principal Property acquired after the date of the applicable indenture (including acquisitions by way of merger or consolidation) by us or a Restricted Subsidiary contemporaneously with such acquisition, or within 120 days

thereafter, to secure or provide for the payment or financing of any part of the purchase price thereof, or the assumption of any Lien upon any shares of stock, Indebtedness or other obligations of a Subsidiary or any

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Principal Property acquired after the date of the applicable indenture existing at the time of such acquisition, or the acquisition of any shares of stock, Indebtedness or other obligations of a Subsidiary or any Principal Property subject to any Lien without the assumption thereof, provided that every such Lien referred to in this clause (1) shall attach only to the shares of stock, Indebtedness or other obligations of a Subsidiary or any Principal Property so acquired and fixed improvements thereon;

(2) any Lien on any shares of stock, Indebtedness or other obligations of a Subsidiary or any Principal Property existing on the date the debt securities are initially issued;

(3) any Lien on any shares of stock, Indebtedness or other obligations of a Subsidiary or any Principal Property in favor of Republic Services, Inc. or any Restricted Subsidiary;

(4) any Lien on Principal Property being constructed or improved securing loans to finance such construction or improvements;

(5) any Lien on shares of stock, Indebtedness or other obligations of a Subsidiary or any Principal Property Incurred in connection with the issuance of tax-exempt government obligations; or

(6) any renewal of or substitution for any Lien permitted by any of the preceding clauses (1) through (5), provided, in the case of a Lien permitted under clause (1), (2) or (4), the debt secured is not increased nor the Lien extended to any additional assets.

Notwithstanding the foregoing, we or any Restricted Subsidiary may create or assume Liens in addition to those permitted by clauses (1) through (6), and renew, extend or replace such Liens, provided that at the time of such creation, assumption, renewal, extension or replacement of such Lien, and after giving effect thereto, together with any sale and leaseback transactions entered into pursuant to the provisions of the indentures described below in the last paragraph under **Certain Covenants Limitation on Sale and Leaseback Transactions**, Exempted Debt does not exceed 20% of Consolidated Net Tangible Assets.

For the purposes of this **Restrictions on Liens** covenant and the **Limitation on Sale and Leaseback Transactions** covenant, the giving of a guarantee that is secured by a Lien on any shares of stock, Indebtedness or other obligations of a Subsidiary or any Principal Property, and the creation of a Lien on any shares of stock, Indebtedness or other obligations of a Subsidiary or any Principal Property to secure Indebtedness that existed prior to the creation of such Lien, shall be deemed to involve the creation of Indebtedness in an amount equal to the principal amount guaranteed or secured by such Lien.

Given the size of our operations, at any given time we expect to have very few or no Principal Properties and, accordingly, very few or no Restricted Subsidiaries.

*Limitation on Sale and Leaseback Transactions.* The indentures provide that we will not, and will not permit any Restricted Subsidiary to, sell or transfer, directly or indirectly, except to us or a Restricted Subsidiary, any Principal Property as an entirety, or any substantial portion thereof, with the intention of taking back a lease of such property, except a lease for a period of two years or less at the end of which it is intended that the use of such property by the lessee will be discontinued; provided that, notwithstanding the foregoing, we or any Restricted Subsidiary may sell any such Principal Property and lease it back for a longer period:

(1) if we or such Restricted Subsidiary would be entitled, pursuant to the provisions of the indentures described above under **Certain Covenants Restrictions on Liens**, to create a mortgage on the property to be leased securing **Funded**

Debt in an amount equal to the Attributable Debt with respect to such sale and leaseback transaction without equally and ratably securing the outstanding debt securities issued under the applicable indenture; or

(2) if we promptly inform the trustee of such transaction, the net proceeds of such transaction are at least equal to the fair market value (as determined by board resolution) of such property, and we cause an

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amount equal to the net proceeds of the sale to be applied to the retirement, within 180 days after receipt of such proceeds, of Funded Debt Incurred or assumed by us or a Restricted Subsidiary (including debt securities issued under the applicable indenture); provided further that, in lieu of applying all or any part of such net proceeds to such retirement, we may, within 75 days after such sale or transfer, deliver or cause to be delivered to the applicable trustee for cancellation either debentures or notes evidencing Funded Debt of ours (which may include debt securities issued under the applicable indenture) or of a Restricted Subsidiary previously authenticated and delivered by the applicable trustee, and not theretofore tendered for sinking fund purposes or called for a sinking fund or otherwise applied as a credit against an obligation to redeem or retire such notes or debentures. If we so deliver debentures or notes to the applicable trustee and an officer's certificate to the trustee for the debt securities, the amount of cash that we will be required to apply to the retirement of Funded Debt will be reduced by an amount equal to the aggregate of the then applicable optional redemption prices (not including any optional sinking fund redemption prices) of such debentures or notes, or if there are no such redemption prices, the principal amount of such debentures or notes, provided, that in the case of debentures or notes which provide for an amount less than the principal amount thereof to be due and payable upon a declaration of the maturity thereof, such amount of cash shall be reduced by the amount of principal of such debentures or notes that would be due and payable as of the date of such application upon a declaration of acceleration of the maturity thereof pursuant to the terms of the indenture pursuant to which such debentures or notes were issued; or

(3) if we, within 180 days after the sale or transfer, apply or cause a Restricted Subsidiary to apply an amount equal to the greater of the net proceeds of such sale or transfer or the fair market value of the Principal Property (or portion thereof) so sold and leased back at the time of entering into such sale and leaseback transaction (in either case as determined by board resolution) to purchase other Principal Property having a fair market value at least equal to the fair market value of the Principal Property (or portion thereof) sold or transferred in such sale and leaseback transaction.

Notwithstanding the foregoing, we or any Restricted Subsidiary may enter into sale and leaseback transactions in addition to those permitted in the foregoing paragraph and without any obligation to retire any outstanding notes or other Funded Debt, provided that at the time of entering into such sale and leaseback transactions and after giving effect thereto, together with any Liens created, assumed or otherwise incurred pursuant to the provisions of the indentures described above in the second paragraph under **Certain Covenants** **Restrictions on Liens**, **Exempted Debt** does not exceed 20% of Consolidated Net Tangible Assets.

*Definitions.* Set forth below are certain defined terms used in the indentures. Reference is made to the indentures for a full disclosure of all such terms, as well as any other capitalized terms used herein for which no definition is provided. These definitions may be changed as described in a prospectus supplement.

*Attributable Debt* means, when used in connection with a sale and leaseback transaction, at any date of determination, the product of (1) the net proceeds from such sale and leaseback transaction multiplied by (2) a fraction, the numerator of which is the number of full years of the term of the lease relating to the property involved in such sale and leaseback transaction (without regard to any options to renew or extend such term) remaining at the date of the making of such computation and the denominator of which is the number of full years of the term of such lease measured from the first day of such term.

*Capital Stock* means, with respect to any Person, any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests (including partnership interests) in (however designated) the equity of such Person, including any preferred stock, but excluding any debt securities convertible into such equity.

*Consolidated Net Tangible Assets* means, as of any date, the total amount of assets of Republic Services, Inc. and its Subsidiaries on a consolidated basis (less applicable reserves and other properly deductible items) after deducting therefrom (1) all current liabilities (excluding any current liabilities which are by their terms

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extendible or renewable at the option of the obligor thereon to a time more than 12 months after the time as of which the amount thereof is being computed or which are supported by other borrowings with a maturity of more than 12 months from the date of calculation), (2) all goodwill, trade names, trademarks, patents, unamortized debt discount and expense and other like intangibles and (3) appropriate adjustments on account of minority interests of other Persons holding stock of Republic Services, Inc.'s Subsidiaries, all as set forth on the most recent balance sheet of Republic Services, Inc. and its consolidated Subsidiaries (but, in any event, as of a date within 120 days of the date of determination), in each case excluding intercompany items and computed in accordance with generally accepted accounting principles.

*Exempted Debt* means the sum, without duplication, of the following items outstanding as of the date Exempted Debt is being determined with respect to any series of debt securities: (1) Indebtedness of Republic Services, Inc. and the Restricted Subsidiaries Incurred after the date of the supplemental indenture under which a series of debt securities is created and secured by Liens created, assumed or otherwise Incurred or permitted to exist pursuant to the provisions of the indentures described above under Certain Covenants Restrictions on Liens and (2) Attributable Debt of Republic Services, Inc. and the Restricted Subsidiaries in respect of all sale and leaseback transactions with regard to any Principal Property entered into pursuant to the provisions of the indentures described above under Certain Covenants Limitation on Sale and Leaseback Transactions.

*Funded Debt* means all Indebtedness for borrowed money, including purchase money indebtedness, having a maturity of more than one year from the date of its creation or having a maturity of less than one year but by its terms being renewable or extendible, at the option of the obligor in respect thereof, beyond one year from its creation.

*Incur* means to issue, assume, guarantee, incur or otherwise become liable for. The terms Incurred, Incurrence and Incurring shall each have a correlative meaning.

*Indebtedness* means with respect to any Person at any date of determination (without duplication), indebtedness for borrowed money or indebtedness evidenced by bonds, notes, debentures or other similar instruments given to finance the acquisition of any businesses, properties or assets of any kind (including, without limitation, capital stock or other equity interests in any Person).

*Lien* with respect to any property or assets, means any mortgage or deed of trust, pledge, hypothecation, assignment, deposit arrangement, security interest, lien, charge, easement (other than any easement not materially impairing usefulness or marketability), encumbrance, preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever on or with respect to such property or assets (including, without limitation, any conditional sale or other title retention agreement having substantially the same economic effect as any of the foregoing), but not including the interest of a lessor under a lease that is an operating lease under generally accepted accounting principles.

*Principal Property* means any land, land improvements or building, together with the land upon which it is erected and fixtures comprising a part thereof, in each case, owned or leased by us or any Restricted Subsidiary and located in the United States, the gross book value (without deduction of any reserve for depreciation) of which on the date as of which the determination is being made is an amount which exceeds 2% of Consolidated Net Tangible Assets but not including such land, land improvements, buildings or portions thereof which is financed through the issuance of tax-exempt governmental obligations, or any such property that has been determined by a board resolution not to be of material importance to the respective businesses conducted by us or such Restricted Subsidiary effective as of the date such resolution is adopted by our board of directors.

*Restricted Subsidiary* means any Subsidiary of the Company which, at the time of determination, owns or is a lessee pursuant to a capital lease of any Principal Property.

*Subsidiary* of a Person means, with respect to any Person, any corporation, association, partnership or other business entity of which at least a majority of the total voting power of the Capital Stock entitled (without



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regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by (1) such Person, (2) such Person and one or more Subsidiaries of such Person or (3) one or more Subsidiaries of such Person.

### **Consolidation, Merger or Sale of Substantially All Assets**

Unless otherwise indicated in the applicable prospectus supplement, we may consolidate or merge with, or sell all or substantially all of our assets to, another corporation as long as the surviving corporation is organized under the laws of the United States or any state thereof or the District of Columbia and the consolidation, merger or sale does not create a default under the indentures. The resulting or acquiring corporation must assume all of our obligations under the indentures, including the payment of all amounts due on the debt securities and performance of the covenants. Under these circumstances, if our properties or assets become subject to a Lien not permitted by the indentures, we will equally and ratably secure the debt securities issued under the applicable indenture.

### **Filing of Financial Statements**

The indentures require us to file quarterly and annual financial statements with the Commission.

### **Events of Default**

Unless otherwise indicated in the applicable prospectus supplement, an event of default under each indenture with respect to any series of debt securities includes the following:

failure to pay interest on the debt securities of that series for 30 days;

failure to pay principal on the debt securities of that series when due;

failure to perform any of the other covenants or agreements in the indenture relating to the debt securities of that series that continues for 60 days after notice to us by the trustee or holders of at least 25% in principal amount of the debt securities of that series then outstanding (for purposes of the financial statement reporting covenant, the 60-day grace period will be extended to 365 days);

failure to pay when due any Indebtedness of ours or any Restricted Subsidiary having an aggregate principal amount outstanding of at least \$25.0 million that continues for 25 days after notice to us by the trustee or holders of at least 25% in principal amount of debt securities of that series then outstanding; or

certain events of bankruptcy, insolvency or reorganization relating to us or any Restricted Subsidiary.

Each indenture provides that the trustee will, with certain exceptions, notify the holders of debt securities of any series of any event that is, or after notice or passage of time or both would be, an event of default with respect to that series within 90 days after receiving notice of the occurrence of such event.

If an event of default (other than with respect to certain events of bankruptcy, insolvency or reorganization) occurs and is continuing with respect to the debt securities of any series, the trustee or the holders of not less than 25% in principal amount of the debt securities then outstanding of that series may declare the principal amount, premium, if any, and accrued interest thereon to be due and payable. In that case, subject to certain conditions, the holders of a majority in principal amount of the debt securities of that series then outstanding can rescind and annul such declaration and its consequences. If an event of default with respect to certain events of bankruptcy, insolvency or reorganization occurs and is continuing, then all of the debt securities will ipso facto become and be due and payable immediately in an amount equal to the principal amount of the debt securities, together with accrued and unpaid interest, if any, to the date the debt securities become due and payable, without any declaration or other act on the part of the trustee or any holder.

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In the event of a declaration of acceleration because an event of default related to the failure to pay when due any Indebtedness having an aggregate principal amount outstanding of at least \$25.0 million has occurred and is continuing, such declaration of acceleration shall be automatically rescinded and annulled if the default triggering such event of default shall be remedied or cured by us or the relevant Subsidiary or waived by the holders of the relevant Indebtedness within 60 days after the declaration of acceleration with respect thereto.

We are required to file an annual officers' certificate with each trustee concerning our compliance with the applicable indenture. Subject to the provisions of the indentures relating to the duties of the trustee, the trustee is not obligated to exercise any of its rights or powers at the request or direction of any of the holders unless they have offered the trustee security or indemnity satisfactory to the trustee. If the holders provide security or indemnity satisfactory to the trustee, the holders of a majority in principal amount of the outstanding debt securities of the applicable series during an event of default may direct the time, method and place of conducting any proceeding for any remedy available to the trustee under the applicable indenture or exercising any of the trustee's trusts or powers with respect to the debt securities.

Prior to the acceleration of the maturity of the debt securities of any series, the holders of not less than a majority in aggregate principal amount of the outstanding debt securities of that series may on behalf of the holders of all outstanding debt securities of that series waive any past default or event of default and its consequences, except a default or event of default (a) in the payment of the principal of, premium, if any, or interest on any debt security of that series (which may only be waived with the consent of each holder of debt securities affected) or (b) in respect of a covenant or a provision of the applicable indenture which cannot be modified or amended without the consent of the holder of each debt security outstanding affected by such modification or amendment.

## **Modification and Amendment of the Indentures**

We may enter into supplemental indentures to each indenture with the applicable trustee without the consent of the holders of the debt securities to, among other things:

evidence the assumption by a successor corporation of our obligations;

add covenants for the benefit of the holders of one or more series of the debt securities;

create a new series of debt securities under the applicable indenture;

cure any ambiguity or correct any inconsistency in the applicable indenture;