

AMERICAN INTERNATIONAL GROUP INC

Form S-4/A

May 01, 2009

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As filed with the Securities and Exchange Commission on May 1, 2009

Registration No. 333-158019

**SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

**Amendment No. 1
to
Form S-4
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933**

American International Group, Inc.
(Exact name of Registrant as specified in its charter)

Delaware
*(State or other jurisdiction of
incorporation or organization)*

6331
*(Primary Standard Industrial
Classification Code Number)*

13-2592361
*(I.R.S. Employer
Identification No.)*

**70 Pine Street
New York, New York 10270
(212) 770-7000**
*(Address, including zip code, and telephone number, including area code, of
Registrant's principal executive offices)*

**Kathleen E. Shannon, Esq.
Senior Vice President, Secretary and Deputy General Counsel
American International Group, Inc.
70 Pine Street
New York, New York 10270
(212) 770-7000**
(Name, address, including zip code, and telephone number,

including area code, of agent for service)

Copies To:
Robert W. Reeder III, Esq.
Ann Bailen Fisher, Esq.
Sullivan & Cromwell LLP
125 Broad Street
New York, New York 10004
(212) 558-4000

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after the effective date of this registration statement.

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

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

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

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this preliminary prospectus is not complete and may be changed. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED MAY 1, 2009

American International Group, Inc.

Offer to Exchange

\$4,000,000,000 8.175% Series A-6 Junior Subordinated Debentures

For Any and All Outstanding

8.175% Series A-6 Junior Subordinated Debentures

**THIS EXCHANGE OFFER WILL EXPIRE AT 5:00 P.M.,
NEW YORK CITY TIME, ON _____, 2009, UNLESS
EXTENDED BY US**

The terms of the new junior subordinated debentures are substantially identical to the terms of the old junior subordinated debentures, except that the new junior subordinated debentures are registered under the Securities Act of 1933 (the *Securities Act*), and the transfer restrictions, registration rights and additional interest provisions currently applicable to the old junior subordinated debentures do not apply to the new junior subordinated debentures.

AIG is also making a concurrent offer to exchange up to \$3,250,000,000 of its 8.250% Notes due 2018 for any and all of its outstanding 8.250% Notes due 2018. That offering is being made pursuant to a separate prospectus and is not part of the exchange offer to which this prospectus relates. The offer to exchange 8.250% Notes due 2018 and this offer are not contingent upon or related to one another.

See Risk Factors on page 4 for a discussion of factors you should consider before tendering your old junior subordinated debentures for new junior subordinated debentures.

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 or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2009

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Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus to the Company , AIG , we , our , us and similar references mean American International Group, Inc. and its subsidiaries.

You should rely only on the information contained in this prospectus or information contained in documents incorporated by reference in this prospectus. We have not authorized anyone to provide you with different information. This prospectus is an offer to exchange only the junior subordinated debentures offered by this prospectus and only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is accurate only as of its date.

CAUTIONARY STATEMENT REGARDING PROJECTIONS AND OTHER INFORMATION ABOUT FUTURE EVENTS

This prospectus and other publicly available documents, including the documents incorporated herein by reference, may include, and AIG's officers and representatives may from time to time make projections concerning financial information and statements concerning future economic performance and events, plans and objectives relating to the proposed and completed transactions with the Federal Reserve Bank of New York and the United States Department of the Treasury, asset dispositions, liquidity, collateral posting requirements, management, operations, products and services, and assumptions underlying these projections and statements. These projections and statements are not historical facts but instead represent only AIG's belief regarding future events, many of which, by their nature, are inherently uncertain and outside AIG's control. These projections and statements may address, among other things, the outcome of the proposed and completed transactions with the Federal Reserve Bank of New York and the United States Department of the Treasury, the number, size, terms, cost and timing of dispositions and their potential effect on AIG's businesses, financial condition, results of operations, cash flows and liquidity (and AIG at any time and from time to time may change its plans with respect to the sale of one or more businesses), AIG's exposures to subprime mortgages, monoline insurers and the residential and commercial real estate markets, the separation of AIG's businesses from AIG parent company, AIG's ability to retain and motivate its employees and AIG's strategy for growth, product development, market position, financial results and reserves. It is possible that AIG's actual results

and financial condition will differ, possibly materially, from the anticipated results and financial condition indicated in these projections and statements. Factors that could cause AIG's actual results to differ, possibly materially, from those in the specific projections and statements include an inability to complete the proposed transactions with the Federal Reserve Bank of New York, a failure of the completed transactions with the United States Department of the Treasury to achieve their desired objectives, developments in global credit markets and such other factors as discussed throughout Part II, Item 7. Management's Discussion and

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Analysis of Financial Condition and Results of Operations and in Part I, Item 1A. Risk Factors of AIG's Annual Report on Form 10-K for the year ended December 31, 2008 (including Amendment No. 1 on Form 10-K/A filed on April 30, 2009, the *2008 Annual Report on Form 10-K*). AIG is not under any obligation (and expressly disclaims any obligations) to update or alter any projection or other statement, whether written or oral, that may be made from time to time, whether as a result of new information, future events or otherwise.

WHERE YOU CAN FIND MORE INFORMATION

AIG is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the *Exchange Act*), and files with the Securities and Exchange Commission (the *SEC*) proxy statements, Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, as required of a U.S. listed company. You may read and copy any document AIG files at the SEC's public reference room in Washington, D.C. at 100 F Street, NE, Room 1580, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. AIG's SEC filings are also available to the public from the SEC's website at www.sec.gov.

AIG's common stock is listed on the NYSE and trades under the symbol *AIG*.

AIG has filed with the SEC a registration statement on Form S-4 relating to the exchange of old junior subordinated debentures for new junior subordinated debentures. This prospectus is part of the registration statement and does not contain all the information in the registration statement. Whenever a reference is made in this prospectus to a contract or other document, please be aware that the reference is not necessarily complete and that you should refer to the exhibits that are part of the registration statement for a copy of the contract or other document. You may review a copy of the registration statement at the SEC's public reference room in Washington, D.C. as well as through the SEC's internet site noted above.

The SEC allows AIG to *incorporate by reference* the information AIG files with the SEC (other than information that is deemed *furnished* to the SEC) which means that AIG can disclose important information to you by referring to those documents, and later information that AIG files with the SEC will automatically update and supersede that information as well as the information contained in this prospectus. AIG incorporates by reference the documents listed below and any filings made with the SEC under Section 13(a), 13(c), 14, or 15(d) of the Exchange Act after the time of initial filing of the registration statement (or post-effective amendment) and before effectiveness of the registration statement (or post-effective amendment), and after the date of this prospectus and until the exchange offer is completed (except for information in these documents or filings that is deemed *furnished* to the SEC).

- (1) Annual Report on Form 10-K for the year ended December 31, 2008 and Amendment No. 1 on Form 10-K/A filed on April 30, 2009.
- (2) Current Reports on Form 8-K, filed on January 7, 2009, January 23, 2009 (containing Items 1.01 and 9.01), February 12, 2009, March 5, 2009, March 25, 2009, March 31, 2009, April 20, 2009, April 20, 2009 and April 20, 2009 and the amendments on Form 8-K/A filed on January 14, 2009, March 13, 2009, March 16, 2009 and March 16, 2009.

AIG will provide without charge to each person, including any beneficial owner, to whom this prospectus is delivered, upon his or her written or oral request, a copy of any or all of the reports or documents referred to above that have been incorporated by reference into this prospectus excluding exhibits to those documents unless they are specifically incorporated by reference into those documents. You can request those documents from AIG's Director of Investor Relations, 70 Pine Street, New York, New York 10270, telephone 212-770-6293, or you may obtain them from AIG's corporate website at www.aigcorporate.com. You can also request from AIG's Director of Investor Relations, or obtain

from AIG's corporate website, a copy of AIG's Current Report on Form 8-K, filed on May 20, 2008, which contains the replacement capital covenant discussed under Replacement Capital Covenant. Except for the documents specifically incorporated by reference into this prospectus, information contained on AIG's website or that can be accessed through its website does not constitute a part of this prospectus. AIG has included its website address only as an inactive textual reference and does not intend it to be an active link to its website.

In order to ensure timely delivery of the requested documents, requests should be made no later than , 2009. In the event that we extend the exchange offer, you must submit your request at least five business days before the expiration date, as extended.

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PROSPECTUS SUMMARY

The following summary highlights selected information from this prospectus and does not contain all of the information that you should consider before participating in this exchange offer. You should read the entire prospectus, the accompanying letter of transmittal and the documents incorporated by reference carefully.

American International Group, Inc.

AIG, a Delaware corporation, is a holding company which, through its subsidiaries, is engaged in a broad range of insurance and insurance-related activities in the United States and abroad. AIG's principal executive offices are located at 70 Pine Street, New York, New York 10270, and its main telephone number is 212-770-7000. The Internet address for AIG's corporate website is www.aigcorporate.com. Except for the documents referred to under "Where You Can Find More Information" which are specifically incorporated by reference into this prospectus, information contained on AIG's website or that can be accessed through its website does not constitute a part of this prospectus. AIG has included its website address only as an inactive textual reference and does not intend it to be an active link to its website.

The Exchange Offer

The Exchange Offer

AIG is offering to exchange up to \$4,000,000,000 principal amount of its new 8.175% Series A-6 junior subordinated debentures (the *new junior subordinated debentures*) which have been registered under the Securities Act for a like principal amount of its old 8.175% Series A-6 junior subordinated debentures (the *old junior subordinated debentures*). You may tender old junior subordinated debentures only in minimum denominations of \$1,000 and integral multiples of \$1,000 in excess thereof. You should read the discussion under the heading "The Exchange Offer" below for further information about the exchange offer and resale of the new junior subordinated debentures.

Expiration Date

5:00 p.m., New York City time, on _____, 2009, unless AIG extends the exchange offer.

Resale of New Junior Subordinated Debentures

Based on interpretive letters of the SEC staff to third parties, AIG believes that you may resell and transfer the new junior subordinated debentures issued pursuant to the exchange offer in exchange for old junior subordinated debentures without compliance with the registration and prospectus delivery provisions of the Securities Act, if you:

are not a broker-dealer that acquired the old junior subordinated debentures from AIG or in market-making transactions or other trading activities;

acquire the new junior subordinated debentures in the ordinary course of your business;

do not have an arrangement or understanding with any person to participate in the distribution of the new junior subordinated debentures; and

are not AIG's affiliate as defined in Rule 405 under the Securities Act.

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If you fail to satisfy any of these conditions, you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a resale of the new junior subordinated debentures.

Broker-dealers that acquired old junior subordinated debentures directly from AIG, but not as a result of market-making activities or other trading activities, must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a resale of the new junior subordinated debentures.

Each broker-dealer that receives new junior subordinated debentures for its own account pursuant to the exchange offer in exchange for old junior subordinated debentures that it acquired as a result of market-making or other trading activities must comply with its prospectus delivery obligations in connection with any resale of the new junior subordinated debentures and provide AIG with a signed acknowledgment of compliance.

**Consequences If You Do Not Exchange
Your Old Junior Subordinated Debentures**

Old junior subordinated debentures that are not tendered in the exchange offer or are not accepted for exchange will remain outstanding and continue to bear legends restricting their transfer. You will not be able to offer or sell the old junior subordinated debentures unless:

an exemption from the requirements of the Securities Act is available to you; or

you sell the old junior subordinated debentures outside the United States to non-U.S. persons in accordance with Regulation S under the Securities Act.

Conditions to the Exchange Offer

The exchange offer is subject to certain conditions, which AIG may waive, as described below under **The Exchange Offer** **Conditions to the Exchange Offer**.

**Procedures for Tendering Old Junior
Subordinated Debentures**

If you wish to accept the exchange offer, the following must be delivered to the exchange agent:

an agent's message from The Depository Trust Company, which we refer to as DTC, stating that the tendering participant agrees to be bound by the letter of transmittal and the terms of the exchange offer;

your old junior subordinated debentures by timely confirmation of book-entry transfer through DTC; and

all other documents required by the letter of transmittal.

These actions must be completed before the expiration of the exchange offer.

You must comply with DTC's standard procedures for electronic tenders, by which you will agree to be bound by the letter of transmittal.

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Guaranteed Delivery Procedures for Tendering Old Junior Subordinated Debentures	If you cannot meet the expiration deadline, deliver any necessary documentation or comply with the applicable procedures under DTC standard operating procedures for electronic tenders in a timely fashion, you may tender your old junior subordinated debentures according to the guaranteed delivery procedures set forth under The Exchange Offer Guaranteed Delivery Procedures.
Withdrawal Rights	You may withdraw your tender of old junior subordinated debentures any time before the exchange offer expires.
Tax Consequences	The exchange pursuant to the exchange offer generally will not be a taxable event for U.S. federal income tax purposes. See Certain United States Federal Income Tax Considerations.
Use of Proceeds	AIG will not receive any proceeds from the exchange or the issuance of new junior subordinated debentures in connection with the exchange offer.
Exchange Agent	The Bank of New York Mellon is serving as exchange agent in connection with the exchange offer. The address and telephone number of the exchange agent are set forth under The Exchange Offer Exchange Agent.

The New Junior Subordinated Debentures

Issuer	The new junior subordinated debentures will be the obligations of AIG.
The New Junior Subordinated Debentures	<p>\$4,000,000,000 of 8.175% Series A-6 Junior Subordinated Debentures.</p> <p>The form and terms of the new junior subordinated debentures are the same as the form and terms of the old junior subordinated debentures, except that:</p> <p style="padding-left: 40px;">the new junior subordinated debentures will be registered under the Securities Act and will therefore not bear legends restricting their transfer; and</p> <p style="padding-left: 40px;">the new junior subordinated debentures will not contain provisions for payment of additional interest in case of non-registration.</p> <p>The same junior subordinated debt indenture, dated March 13, 2007, as supplemented on May 20, 2008 by the ninth supplemental indenture, will govern both the old junior subordinated debentures and the new junior subordinated debentures. You should read the discussion under the heading Description of Terms of the New Junior Subordinated Debentures below for further information about the new junior subordinated debentures.</p>
Trustee	The Bank of New York Mellon

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RISK FACTORS

Before tendering old junior subordinated debentures in the exchange offer, you should consider carefully each of the following risk factors, as well as the risk factors set forth in Item 1A of Part I of AIG's 2008 Annual Report on Form 10-K (see "Where You Can Find More Information" in this prospectus).

If you fail to exchange the old junior subordinated debentures, they will remain subject to transfer restrictions.

Any old junior subordinated debentures that remain outstanding after this exchange offer will continue to be subject to restrictions on their transfer. After this exchange offer, holders of old junior subordinated debentures will not have any further rights to have their old junior subordinated debentures exchanged for new junior subordinated debentures registered under the Securities Act. The liquidity of the market for old junior subordinated debentures that are not exchanged could be adversely affected by this exchange offer and you may be unable to sell your old junior subordinated debentures.

Late deliveries of old junior subordinated debentures and other required documents could prevent a holder from exchanging its old junior subordinated debentures.

Holders are responsible for complying with all exchange offer procedures. The issuance of new junior subordinated debentures in exchange for old junior subordinated debentures will only occur upon completion of the procedures described in this prospectus under "The Exchange Offer." Therefore, holders of old junior subordinated debentures who wish to exchange them for new junior subordinated debentures should allow sufficient time for timely completion of the exchange procedure. Neither we nor the exchange agent are obligated to extend the offer or notify you of any failure to follow the proper procedure.

If you are a broker-dealer, your ability to transfer the new junior subordinated debentures may be restricted.

A broker-dealer that purchased old junior subordinated debentures for its own account as part of market-making or trading activities must comply with the prospectus delivery requirements of the Securities Act when it sells the new junior subordinated debentures. Our obligation to make this prospectus available to broker-dealers is limited. Consequently, we cannot guarantee that a proper prospectus will be available to broker-dealers wishing to resell their new junior subordinated debentures.

There has not been, and there may not be, a public market for the new junior subordinated debentures.

Prior to this exchange offer, there was no public market for the new junior subordinated debentures, and if an active trading market does not develop for the new junior subordinated debentures, you may not be able to resell them. We do not intend to apply to list the new junior subordinated debentures on any national securities exchange or any automated quotation system. The lack of a trading market could adversely affect your ability to sell the new junior subordinated debentures and the price at which you may be able to sell the new junior subordinated debentures. The liquidity of the trading market, if any, and future trading prices of the new junior subordinated debentures will depend on many factors, including, among other things, the market price of the other series of junior subordinated debentures issued by AIG, prevailing interest rates, our operating results, financial performance and prospects, the market for similar securities and the overall securities market, and may be adversely affected by unfavorable changes in these factors.

USE OF PROCEEDS

We will not receive any proceeds from the exchange offer. In consideration for issuing the new junior subordinated debentures, we will receive old junior subordinated debentures from you in the same principal amount. The old junior subordinated debentures surrendered in exchange for the new junior subordinated debentures will be retired and canceled and cannot be reissued. Accordingly, issuance of the new junior subordinated debentures will not result in any change in our indebtedness.

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The following table sets forth the historical ratios of earnings to fixed charges of AIG and its consolidated subsidiaries for the periods indicated. For more information on our consolidated ratios of earnings to fixed charges, see our 2008 Annual Report on Form 10-K, which is incorporated by reference into this prospectus as described under "Where You Can Find More Information."

	Year Ended December 31,			
2008	2007	2006	2005	2004
(a)	1.78	3.39	2.98	3.44

- (a) Earnings were inadequate to cover total fixed charges by \$108,788 million for the year ended December 31, 2008. The coverage deficiency for total fixed charges excluding interest credited to guaranteed investment contract and guaranteed investment agreement policy and contract holders was \$106,296 million for the year ended December 31, 2008, as discussed in AIG's 2008 Annual Report on Form 10-K.

Earnings represent:

Income from operations before income taxes and adjustments for minority interest

Plus

Fixed charges other than capitalized interest

Amortization of capitalized interest

The distributed income of equity investees

Less

The minority interest in pre-tax income of subsidiaries that do not have fixed charges.

Fixed charges include:

Interest, whether expensed or capitalized

Amortization of debt issuance costs

The proportion of rental expense deemed representative of the interest factor by the management of AIG.

THE EXCHANGE OFFER

The following is a summary of the exchange and registration rights agreement and letter of transmittal. The exchange and registration rights agreement and the letter of transmittal contain the full legal text of the matters described in

this section, and each is filed as an exhibit to the registration statement of which this prospectus is a part. You should refer to these documents for more information.

Purpose and Effect of Exchange Offer; Registration Rights

We are offering to exchange our 8.175% Series A-6 Junior Subordinated Debentures, which have been registered under the Securities Act and which we refer to as the new junior subordinated debentures, for our outstanding 8.175% Series A-6 Junior Subordinated Debentures, which have not been so registered and which we refer to as the old junior subordinated debentures. We refer to this exchange offer as the exchange offer.

The old junior subordinated debentures were purchased by Citigroup Global Markets Inc., J.P. Morgan Securities Inc., Banc of America Securities LLC, Barclays Capital Inc., Lehman Brothers Inc., Mitsubishi UFJ Securities International plc, Mizuho Securities USA Inc., Daiwa Securities America Inc., RBC Capital Markets Corporation, Santander Investment Securities Inc., KeyBanc Capital Markets, Inc., Scotia Capital (USA) Inc., Wells Fargo Securities, LLC, ANZ Securities, Inc., nabCapital Securities, LLC, BMO Capital Markets Corp., TD Securities (USA) LLC, ING Bank N.V., Calyon Securities, SunTrust Robinson Humphrey, Inc., NatCity

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Investments, Inc., BBVA Securities, Inc. and CIBC World Markets Corp., whom we collectively refer to as the initial purchasers, on May 20, 2008 for resale to qualified institutional buyers in compliance with Rule 144A under the Securities Act and outside of the United States to non-U.S. persons in compliance with Regulation S under the Securities Act. In connection with the sale of the old junior subordinated debentures, we and the initial purchasers entered into an exchange and registration rights agreement, dated May 20, 2008, which requires us, among other things,

to file with the SEC an exchange offer registration statement under the Securities Act with respect to new junior subordinated debentures identical in all material respects to the old junior subordinated debentures, to use commercially reasonable efforts to cause this registration statement to be declared effective under the Securities Act and to make an exchange offer for the old junior subordinated debentures as discussed below, or

in very limited circumstances to register the old junior subordinated debentures on a shelf registration statement under the Securities Act.

We are obligated, upon the effectiveness of the exchange offer registration statement referred to above, to offer the holders of the old junior subordinated debentures the opportunity to exchange their old junior subordinated debentures for a like principal amount of new junior subordinated debentures which will be issued without a restrictive legend and may be reoffered and resold by the holder generally without restrictions or limitations under the Securities Act. The exchange offer is being made pursuant to the exchange and registration rights agreement to satisfy our obligations under that agreement.

The old junior subordinated debentures and the exchange and registration rights agreement provide, among other things, that if we default in our obligations to take certain steps to make the exchange offer within the time periods specified in the registration rights agreement, the interest rate on the old junior subordinated debentures will initially increase by .125% and after 90 days (if the default continues) by .125%, the maximum additional annual interest rate, until the default is remedied.

Under the terms of the old junior subordinated debentures and the exchange and registration rights agreement, additional interest accrues on the old junior subordinated debentures until the exchange offer is completed or May 20, 2010. However, once the exchange offer is completed or after May 20, 2010, no additional interest will accrue on any old junior subordinated debenture.

Terms of the Exchange Offer

For each of the old junior subordinated debentures properly surrendered and not withdrawn before the expiration date of the exchange offer, a new junior subordinated debenture having a principal amount equal to that of the surrendered old junior subordinated debenture will be issued.

The form and terms of the new junior subordinated debentures will be the same as the form and terms of the old junior subordinated debentures except that:

the new junior subordinated debentures will be registered under the Securities Act and, therefore, the global securities representing the new junior subordinated debentures will not bear legends restricting the transfer of interests in the new junior subordinated debentures; and

the new junior subordinated debentures will not contain provisions for payment of additional interest in case of non-registration.

You may tender old junior subordinated debentures only in minimum denominations of \$1,000 and integral multiples of \$1,000 in excess thereof.

The new junior subordinated debentures will evidence the same indebtedness as the old junior subordinated debentures they replace, and will be issued under, and be entitled to the benefits of, the same indenture that authorized the issuance of the old junior subordinated debentures. As a result, the old junior subordinated debentures and the respective replacement new junior subordinated debentures will be treated as a single series of junior subordinated debentures under the indenture.

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No interest will be paid in connection with the exchange. The new junior subordinated debentures will bear interest from and including the last interest payment date on which interest has been paid on the old junior subordinated debentures. Accordingly, the holders of old junior subordinated debentures that are accepted for exchange will not receive accrued but unpaid interest on old junior subordinated debentures at the time of tender. Rather, that interest will be payable on the new junior subordinated debentures delivered in exchange for the old junior subordinated debentures on the first interest payment date after the expiration date.

Under existing SEC interpretations, the new junior subordinated debentures would generally be freely transferable after the exchange offer without further registration under the Securities Act, except that broker-dealers receiving the new junior subordinated debentures in the exchange offer will be subject to a prospectus delivery requirement with respect to their resale. This view is based on interpretations by the staff of the SEC in no-action letters issued to other issuers in exchange offers like this one. We have not, however, asked the SEC to consider this particular exchange offer in the context of a no-action letter. Therefore, the SEC might not treat it in the same way it has treated other exchange offers in the past. You will be relying on the no-action letters that the SEC has issued to third parties in circumstances that we believe are similar to ours. Based on these no-action letters, the following conditions must be met in order to receive freely transferable new junior subordinated debentures:

you must not be a broker-dealer that acquired the old junior subordinated debentures from us or in market-making transactions or other trading activities;

you must acquire the new junior subordinated debentures in the ordinary course of your business;

you must have no arrangements or understandings with any person to participate in the distribution of the new junior subordinated debentures within the meaning of the Securities Act; and

you must not be an affiliate of ours, as defined under Rule 405 of the Securities Act.

If you wish to exchange old junior subordinated debentures for new junior subordinated debentures in the exchange offer you must represent to us that you satisfy all of the above listed conditions. If you do not satisfy all of the above listed conditions:

you cannot rely on the position of the SEC set forth in the no-action letters referred to above; and

you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a resale of the new junior subordinated debentures.

The SEC considers broker-dealers that acquired old junior subordinated debentures directly from us, but not as a result of market-making activities or other trading activities, to be making a distribution of the new junior subordinated debentures if they participate in the exchange offer. Consequently, these broker-dealers must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a resale of the new junior subordinated debentures.

A broker-dealer that has bought old junior subordinated debentures for market-making or other trading activities must comply with the prospectus delivery requirements of the Securities Act in order to resell any new junior subordinated debentures it receives for its own account in the exchange offer. The SEC has taken the position that broker-dealers may use this prospectus to fulfill their prospectus delivery requirements with respect to the new junior subordinated debentures. We have agreed in the exchange and registration rights agreement to send a prospectus to any broker-dealer that requests copies in the notice and questionnaire included in the letter of transmittal accompanying the prospectus for a period of up to 30 days after the date of expiration of this exchange offer.

Unless you are required to do so because you are a broker-dealer, you may not use this prospectus for an offer to resell, resale or other retransfer of new junior subordinated debentures. We are not making this exchange offer to, nor will we accept tenders for exchange from, holders of old junior subordinated debentures in any jurisdiction in which the exchange offer or the acceptance of it would not be in compliance with the securities or blue sky laws of that jurisdiction.

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Expiration Date; Extensions; Amendments

The expiration date for the exchange offer is 5:00 p.m., New York City time, on _____, 2009. We may extend this expiration date in our sole discretion. If we so extend the expiration date, the term *expiration date* shall mean the latest date and time to which we extend the exchange offer.

We reserve the right, in our sole discretion:

to, prior to the expiration date, delay accepting any old junior subordinated debentures;

to extend the exchange offer;

to terminate the exchange offer if, in our sole judgment, any of the conditions described below under Conditions to the Exchange Offer shall not have been satisfied; or

to amend the terms of the exchange offer in any way we determine.

We will give oral or written notice of any delay, extension or termination to the exchange agent. In addition, we will give, as promptly as practicable, oral or written notice regarding any delay in acceptance, extension or termination of the offer to the registered holders of old junior subordinated debentures. If we amend the exchange offer in a manner that we determine to constitute a material change, or if we waive a material condition, we will promptly disclose the amendment or waiver in a manner reasonably calculated to inform the holders of old junior subordinated debentures of the amendment or waiver, and extend the offer to the extent required by law.

We intend to make public announcements of any delay in acceptance, extension, termination, amendment or waiver regarding the exchange offer through a timely release to a financial news service.

Conditions to the Exchange Offer

We will not be required to accept for exchange, or to exchange new junior subordinated debentures for, any old junior subordinated debentures, and we may terminate the exchange offer as provided in this prospectus before the expiration date, if:

any law, rule or regulation shall have been proposed, adopted or enacted, or interpreted in a manner, which, in our reasonable judgment, would impair our ability to proceed with the exchange offer;

any action or proceeding is instituted or threatened in any court or by the SEC or any other governmental agency with respect to the exchange offer which, in our reasonable judgment, would impair our ability to proceed with the exchange offer;

we have not obtained any governmental approval which we, in our reasonable judgment, consider necessary for the completion of the exchange offer as contemplated by this prospectus;

any change, or any condition, event or development involving a prospective change, shall have occurred or be threatened in the general economic, financial, currency exchange or market conditions in the United States or elsewhere that, in our reasonable judgment, would impair our ability to proceed with the exchange offer;

any other change or development, including a prospective change or development, that, in our reasonable judgment, has or may have a material adverse effect on us, the market price of the new junior subordinated

debentures or the old junior subordinated debentures or the value of the exchange offer to us; or

there shall have occurred (i) any suspension or limitation of trading in securities generally on the New York Stock Exchange or the over-the-counter market; (ii) a declaration of a banking moratorium by United States Federal or New York authorities; or (iii) a commencement or escalation of a war or armed hostilities involving or relating to a country where we do business or other international or national emergency or crisis directly or indirectly involving the United States.

The conditions listed above are for our sole benefit and we may assert them regardless of the circumstances giving rise to any of these conditions. We may waive these conditions in our sole discretion in whole or in part at any time and from time to time. A failure on our part to exercise any of the above rights shall not constitute a waiver of that right, and that right shall be considered an ongoing right which we may assert at any time and from time to time.

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If we determine in our reasonable judgment that any of the events listed above has occurred, we may, subject to applicable law:

refuse to accept any old junior subordinated debentures and return all tendered old junior subordinated debentures to the tendering holders;

extend the exchange offer and retain all old junior subordinated debentures tendered before the expiration of the exchange offer, subject, however, to the rights of holders to withdraw these old junior subordinated debentures; or

waive unsatisfied conditions relating to the exchange offer and accept all properly tendered old junior subordinated debentures which have not been withdrawn.

Any determination by us concerning the above events will be final and binding.

In addition, we reserve the right in our sole discretion to:

purchase or make offers for any old junior subordinated debentures that remain outstanding subsequent to the expiration date; and

purchase old junior subordinated debentures in the open market, in privately negotiated transactions or otherwise.

The terms of any such purchases or offers may differ from the terms of the exchange offer.

Procedures For Tendering

Except in limited circumstances, only a DTC participant listed on a DTC securities position listing with respect to the old junior subordinated debentures may tender old junior subordinated debentures in the exchange offer. To tender old junior subordinated debentures in the exchange offer:

you must instruct DTC and a DTC participant by completing the form *Instruction to Registered Holder From Beneficial Owner* accompanying this prospectus of your intention whether or not you wish to tender your old junior subordinated debentures for new junior subordinated debentures; or

you must comply with the guaranteed delivery procedures described below; and

DTC participants in turn need to follow the procedures for book-entry transfer as set forth below under *Book-Entry Transfer* and in the letter of transmittal.

By tendering, you will make the representations described below under *Representations on Tendering Old Junior Subordinated Debentures*. In addition, each participating broker-dealer must acknowledge that it will comply with the prospectus delivery obligations under the Securities Act in connection with any resale of the new junior subordinated debentures. See *Plan of Distribution*. The tender by a holder of old junior subordinated debentures will constitute an agreement between that holder and us in accordance with the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal.

*The method of delivery of old junior subordinated debentures, the letter of transmittal and all other required documents or transmission of an agent's message, as described under *Book-Entry Transfer*, to the exchange agent is*

at the election and risk of the tendering holder of old junior subordinated debentures. Instead of delivery by mail, we recommend that holders use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure timely delivery to the exchange agent prior to the expiration of the exchange offer. No letter of transmittal or old junior subordinated debentures should be sent to us or DTC. Delivery of documents to DTC in accordance with its procedures does not constitute delivery to the exchange agent.

Signatures on a letter of transmittal or a notice of withdrawal, as described in Withdrawal of Tenders below, must be guaranteed by a member of the New York Stock Exchange Medallion Signature Program or an eligible guarantor institution, within the meaning of Rule 17Ad-15 under the Exchange Act, which we refer to together as eligible institutions, unless the old junior subordinated debentures are tendered for the account of an eligible institution.

We will determine in our sole discretion all questions as to the validity, form, eligibility, including time of receipt, and acceptance and withdrawal of tendered old junior subordinated debentures. We reserve the absolute

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right to reject any and all old junior subordinated debentures not properly tendered or any old junior subordinated debentures whose acceptance by us would, in the opinion of our counsel, be unlawful. We also reserve the right to waive any defects, irregularities or conditions of tender as to any particular old junior subordinated debentures either before or after the expiration date. Our interpretation of the terms and conditions of the exchange offer, including the instructions in the letter of transmittal, will be final and binding on all parties. Unless waived, holders must cure any defects or irregularities in connection with tenders of old junior subordinated debentures within a period we determine. Although we intend to request the exchange agent to notify holders of defects or irregularities relating to tenders of old junior subordinated debentures, neither we, the exchange agent nor any other person will have any duty or incur any liability for failure to give this notification. We will not consider tenders of old junior subordinated debentures to have been made until these defects or irregularities have been cured or waived. The exchange agent will return any old junior subordinated debentures that are not properly tendered and as to which the defects or irregularities have not been cured or waived to the tendering holders, unless otherwise provided in the letter of transmittal, as soon as practicable following the expiration date.

Book-Entry Transfer

We understand that the exchange agent will make a request promptly after the date of this prospectus to establish accounts with respect to the old junior subordinated debentures at DTC for the purpose of facilitating the exchange offer. Any financial institution that is a participant in DTC's system may make book-entry delivery of old junior subordinated debentures by causing DTC to transfer such old junior subordinated debentures into the exchange agent's DTC account in accordance with DTC's electronic Automated Tender Offer Program procedures for such transfer. The exchange of new junior subordinated debentures for tendered old junior subordinated debentures will only be made after timely:

confirmation of book-entry transfer of the old junior subordinated debentures into the exchange agent's account; and

receipt by the exchange agent of an executed and properly completed letter of transmittal or an agent's message and all other required documents specified in the letter of transmittal.

The confirmation, letter of transmittal or agent's message and any other required documents must be received at the exchange agent's address listed below under **Exchange Agent** on or before 5:00 p.m., New York City time, on the expiration date of the exchange offer, or, if the guaranteed delivery procedures described below are complied with, within the time period provided under those procedures.

As indicated above, delivery of documents to DTC in accordance with its procedures does not constitute delivery to the exchange agent.

The term *agent's message* means a message, transmitted by DTC and received by the exchange agent and forming part of the confirmation of a book-entry transfer.