

AMGEN INC  
Form 424B3  
May 19, 2014  
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Filed pursuant to Rule 424(b)(3)  
Registration No. 333-194103

**This preliminary prospectus supplement relates to an effective registration statement under the Securities Act of 1933, but is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

**Subject to Completion**

**Preliminary Prospectus Supplement dated May 19, 2014**

**Prospectus Supplement**

(To Prospectus Dated February 24, 2014)

- \$        **Senior Floating Rate Notes due 2017**
- \$        **Senior Floating Rate Notes due 2019**
- \$        **% Senior Notes due 2017**
- \$        **% Senior Notes due 2019**
- \$        **% Senior Notes due 2024**

We are offering \$        aggregate principal amount of Senior Floating Rate Notes due 2017 (the 2017 floating rate notes ), \$        aggregate principal amount of Senior Floating Rate Notes due 2019 (the 2019 floating rate notes and, together with the 2017 floating rate notes, the floating rate notes ), \$        aggregate principal amount of % Senior Notes due 2017 (the 2017 fixed rate notes ), \$        aggregate principal amount of % Senior Notes due 2019 (the 2019 fixed rate notes ) and \$        aggregate principal amount of % Senior Notes due 2024 (the 2024 fixed rate notes and, together with the 2017 fixed rate notes and the 2019 fixed rate notes, the fixed rate notes ). The floating rate notes and the fixed rate notes are collectively referred to in this prospectus supplement as the notes.

The 2017 floating rate notes will bear interest at a floating rate equal to three-month LIBOR plus % per annum, and the 2019 floating rate notes will bear interest at a floating rate equal to three-month LIBOR plus % per annum. Interest on the floating rate notes of each series is payable in cash quarterly in arrears on        ,        ,        and

of each year, beginning on \_\_\_\_\_, 2014. Interest on the fixed rate notes of each series is payable in cash semi-annually in arrears on \_\_\_\_\_ and \_\_\_\_\_ of each year, beginning on \_\_\_\_\_, 2014.

The notes will be our senior unsecured obligations and will rank equally with all of our other existing and future senior unsecured indebtedness. We may redeem each series of the fixed rate notes, at any time in whole or from time to time in part, at the redemption prices described in this prospectus supplement. The floating rate notes will not be subject to redemption at our option.

Investing in the notes involves risks that are described in the **Risk Factors** section of this prospectus supplement beginning on page S-7.

	Public Offering Price(1)	Underwriting Discount	Proceeds, Before Expenses, to Amgen(1)
	%	%	%
<b>Per 2017 Floating Rate Note</b>			
<b>Total</b>	\$	\$	\$
<b>Per 2019 Floating Rate Note</b>			
<b>Total</b>	\$	\$	\$
<b>Per 2017 Fixed Rate Note</b>			
<b>Total</b>	\$	\$	\$
<b>Per 2019 Fixed Rate Note</b>			
<b>Total</b>	\$	\$	\$
<b>Per 2024 Fixed Rate Note</b>			
<b>Total</b>	\$	\$	\$

(1) Plus accrued interest, if any, from May \_\_\_\_\_, 2014, if settlement occurs after that date.

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

The underwriters expect to deliver the notes in book-entry form only through the facilities of The Depository Trust Company for the accounts of its participants, including Clearstream Banking, société anonyme, and Euroclear Bank, S.A./N.V., as operator for the Euroclear System, against payment in New York, New York on or about May \_\_\_\_\_, 2014.

**Morgan Stanley**  
(Global Coordinator)  
  
(All Notes)

**Barclays**  
(2017, 2024 Notes)

**Citigroup**  
(2019 Notes)

**Goldman, Sachs & Co.**  
(2017, 2024 Notes)

**J.P. Morgan**  
(2019 Notes)

**The date of this prospectus supplement is May , 2014**

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**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document consists of two parts. The first part is this prospectus supplement, which describes the specific terms of our offering of the notes. The second part is the accompanying prospectus, which provides more general information, some of which may not be applicable to this offering. This prospectus supplement and the accompanying prospectus include important information about us, the notes and other information you should know before investing. This prospectus supplement also adds, updates and changes information contained in the accompanying prospectus. If there is any inconsistency between the information in this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement. Before purchasing the notes, you should carefully read both this prospectus supplement and the accompanying prospectus, together with the additional information about us described under "Where You Can Find More Information; Incorporation by Reference" in the accompanying prospectus.

**You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus and in any term sheet we authorize that supplements this prospectus supplement. We have not, and the underwriters have not, authorized any other person to provide you with different information. If anyone other than us provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement and the accompanying prospectus and the documents incorporated by reference is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.**

Unless stated otherwise or unless the context otherwise requires, references in this prospectus supplement and accompanying prospectus to Amgen, we, us and our refer to Amgen Inc., a company incorporated in Delaware, and its consolidated subsidiaries.

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**SUMMARY**

*This summary is not complete and does not contain all of the information that you should consider before investing in our notes. You should read the entire prospectus supplement and accompanying prospectus carefully, including Risk Factors and our consolidated financial statements and the related notes, other financial information and other documents incorporated by reference into this prospectus supplement and accompanying prospectus, before you decide to invest in our notes.*

**Amgen Inc.**

We were incorporated in California in 1980 and organized as a Delaware corporation in 1987. Our principal executive offices are located at One Amgen Center Drive, Thousand Oaks, California 91320-1799, and our telephone number is (805) 447-1000. Our website is located at [www.amgen.com](http://www.amgen.com). Information contained on our website is not a part of this prospectus supplement or the accompanying prospectus.

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**THE OFFERING**

The following is a brief summary of certain terms of this offering. For a more complete description of the terms of the notes, see "Description of Notes" in this prospectus supplement.

Notes Offered \$ in aggregate principal amount of notes, consisting of:

\$ aggregate principal amount of the 2017 floating rate notes;

\$ aggregate principal amount of the 2019 floating rate notes;

\$ aggregate principal amount of the 2017 fixed rate notes;

\$ aggregate principal amount of the 2019 fixed rate notes; and

\$ aggregate principal amount of the 2024 fixed rate notes.

Maturity Dates

2017 floating rate notes: , 2017

2019 floating rate notes: , 2019

2017 fixed rate notes: , 2017

2019 fixed rate notes: , 2019

2024 fixed rate notes: , 2024

Interest and Payment Dates

2017 floating rate notes: three-month LIBOR plus % per annum, payable in cash quarterly in arrears on , and of each year, beginning on 2014.

2019 floating rate notes: three-month LIBOR plus % per annum, payable in cash quarterly in arrears on , and of each year, beginning on 2014.



and of each year, beginning on ,  
2014.

2017 fixed rate notes: % per annum, payable in cash semi-annually in  
arrears on and of each year, beginning on  
, 2014.

2019 fixed rate notes: % per annum, payable in cash semi-annually in  
arrears on and of each year, beginning on  
, 2014.

2024 fixed rate notes: % per annum, payable in cash semi-annually in  
arrears on and of each year, beginning on  
, 2014.

Change of Control Triggering Event

In the event of a change of control triggering event, as defined herein, the holders may require us to purchase for cash all or a portion of their notes at a purchase price equal to 101% of the principal amount of the notes, plus accrued and unpaid interest, if any. See Description of Notes Change of Control Offer.

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Ranking

The notes will rank:

equal in right of payment to all of our other existing and future senior unsecured indebtedness, including indebtedness under our revolving credit agreement (the Revolving Credit Agreement), our term loan facility credit agreement (the Term Loan Credit Agreement), our 1.875% Senior Notes due November 2014, our 4.85% Senior Notes due November 2014, our 2.30% Senior Notes due June 2016, our 2.50% Senior Notes due November 2016, our 2.125% Senior Notes due May 2017, our 5.85% Senior Notes due June 2017, our 6.15% Senior Notes due June 2018, our Master Repurchase Agreements obligation due September 2018, our 4.375% Senior Notes due December 2018 (euro denominated), our 5.70% Senior Notes due February 2019, our 2.125% Senior Notes due September 2019 (euro denominated), our 4.50% Senior Notes due March 2020, our 3.45% Senior Notes due October 2020, our 4.10% Senior Notes due June 2021, our 3.875% Senior Notes due November 2021, our 3.625% Senior Notes due 2022, our 5.50% Senior Notes due 2026 (pound sterling denominated), our 4.00% Senior Notes due 2029 (pound sterling denominated), our 6.375% Senior Notes due 2037, our 6.90% Senior Notes due 2038, our 6.40% Senior Notes due 2039, our 5.75% Senior Notes due 2040, our 4.95% Senior Notes due October 2041, our 5.15% Senior Notes due November 2041, our 5.65% Senior Notes due 2042, our 5.375% Senior Notes due 2043 and other existing unsubordinated long-term debt;

senior in right of payment to all of our existing and future subordinated indebtedness; and

effectively subordinated in right of payment to all of our subsidiaries obligations (including secured and unsecured obligations) and subordinated in right of payment to our secured obligations, to the extent of the assets securing such obligations.

Optional Redemption

The floating rate notes will not be subject to redemption at our option.

We may redeem the 2017 fixed rate notes, at any time in whole or from time to time in part at a redemption price equal to the sum of (1) 100% of the principal amount being redeemed, plus accrued and unpaid interest to, but not including, the redemption date, and (2) the make-whole amount as described in this prospectus supplement.

If the 2019 fixed rate notes are redeemed before \_\_\_\_\_, 2019 (one month prior to the maturity date of the 2019 fixed rate notes), the redemption price will equal the sum of (1) 100% of the principal amount being redeemed, plus accrued and unpaid interest to, but not including, the redemption date and (2) the make-whole amount as described in this prospectus supplement. If the 2019 fixed rate notes are redeemed on or after \_\_\_\_\_, 2019 (one month prior to the maturity date of the 2019 fixed rate notes), the redemption price will

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equal 100% of the principal amount being redeemed, plus accrued and unpaid interest to, but not including, the redemption date.

If the 2024 fixed rate notes are redeemed before \_\_\_\_\_, 2024 (three months prior to the maturity date of the 2024 fixed rate notes), the redemption price will equal the sum of (1) 100% of the principal amount being redeemed, plus accrued and unpaid interest to, but not including, the redemption date and (2) the make-whole amount as described in this prospectus supplement. If the 2024 fixed rate notes are redeemed on or after \_\_\_\_\_, 2024 (three months prior to the maturity date of the 2024 fixed rate notes), the redemption price will equal 100% of the principal amount being redeemed, plus accrued and unpaid interest to, but not including, the redemption date.

Covenants

The notes and related indenture do not contain any financial or other similar restrictive covenants. However, we will be subject to the covenants described under the caption Description of Notes.

Use of Proceeds

We estimate that the net proceeds from this offering will be approximately \$ \_\_\_\_\_ after deducting discounts, commissions and our estimated expenses related to this offering.

We intend to use the net proceeds from this offering to either (i) satisfy our obligation to repurchase all of the Class A preferred shares of our subsidiary, ATL Holdings Limited, sold pursuant to Master Repurchase Agreements between us and various counterparties (together, the Master Repurchase Agreements ) or, in the alternative, (ii) repay a portion of our borrowings under the Term Loan Credit Agreement. The proceeds from the sale of Class A preferred shares and from borrowings under the Term Loan Credit Agreement were used to fund our acquisition of Onyx Pharmaceuticals, Inc. on October 1, 2013. The remainder of the net proceeds from this offering will be used to repay our outstanding indebtedness at maturity and for other general corporate purposes.

Conflict of Interest

Affiliates of certain of the underwriters may be counterparties to the Master Repurchase Agreements or lenders under the Term Loan Credit Agreement. As described in Use of Proceeds, a portion of the net proceeds from this offering may be used to either (i) satisfy our obligation to repurchase the Class A preferred shares sold pursuant to the Master Repurchase Agreements or, in the alternative, (ii) repay a portion of our borrowings under the Term Loan Credit Agreement. Because more than 5% of the proceeds of this offering, not including underwriting discounts and commissions, may be received by affiliates of certain of

the underwriters in this offering, this offering is being conducted in compliance with the requirements of FINRA Rule 5121, as administered by the Financial Industry Regulatory Authority, Inc. ( FINRA ). Pursuant to this rule, the appointment of a qualified independent underwriter is not necessary in connection with this offering as the offering is of debt securities

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that are investment grade rated in accordance with paragraph (a)(1)(C) of FINRA Rule 5121. See **Use of Proceeds** and **Underwriting (Conflict of Interest)** for additional information.

**DTC Eligibility**

The notes will be issued in fully registered book-entry form and will be represented by permanent global notes without coupons. Global notes will be deposited with a custodian for and registered in the name of a nominee of DTC, in New York, New York. Investors may elect to hold interests in the global notes through DTC and its direct or indirect participants as described in the accompanying prospectus under **Global Securities Book-Entry; Delivery and Form**.

**Form and Denomination**

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

**Trading**

The notes will not be listed on any securities exchange or included in any automated quotation system. The notes will be new securities for which there is currently no public market.

**Risk Factors**

See **Risk Factors** and other information included or incorporated by reference in this prospectus supplement for a discussion of the factors you should carefully consider before deciding to invest in the notes.

**Further Issues**

We may, without notice to or the consent of the holders or beneficial owners of the notes of any series, create and issue additional notes and/or notes having the same ranking, interest rate, maturity and other terms as the notes of that series. Any additional debt securities having such similar terms, together with that series of notes, could be considered part of the same series of notes under the indenture.

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**RISK FACTORS**

*Prospective investors should carefully consider the following risk factors and the risk factors and assumptions related to our business identified or described in our most recent annual report on Form 10-K and any subsequent Quarterly Report on Form 10-Q or Current Report on Form 8-K and all other information contained or incorporated by reference into this prospectus supplement and the accompanying prospectus before acquiring any of the notes. The occurrence of any one or more of the following could materially adversely affect your investment in the notes or our business and operating results.*

**Risks Relating to the Notes**

*The notes are structurally subordinated. This may affect your ability to receive payments on the notes.*

The notes are obligations exclusively of Amgen. We currently conduct a significant portion of our operations through our subsidiaries and our subsidiaries have significant liabilities. In addition, we may, and in some cases we have plans to, conduct additional operations through our subsidiaries in the future and, accordingly, our subsidiaries' liabilities will increase. Our cash flow and our ability to service our debt, including the notes, therefore partially depends upon the earnings of our subsidiaries, and we depend on the distribution of earnings, loans or other payments by those subsidiaries to us.

Our subsidiaries are separate and distinct legal entities. Our subsidiaries have no obligation to pay any amounts due on the notes or, subject to existing or future contractual obligations between us and our subsidiaries, to provide us with funds for our payment obligations, whether by dividends, distributions, loans or other payments. In addition, any payment of dividends, distributions, loans or advances by our subsidiaries to us could be subject to statutory or contractual restrictions and taxes on distributions. Payments to us by our subsidiaries will also be contingent upon our subsidiaries' earnings and business considerations.

Our right to receive any assets of any of our subsidiaries upon liquidation or reorganization, and, as a result, the right of the holders of the notes to participate in those assets, will be effectively subordinated to the claims of that subsidiary's creditors, including trade creditors and preferred stockholders, if any. The notes do not restrict the ability of our subsidiaries to incur additional liabilities. In addition, even if we were a creditor of any of our subsidiaries, our rights as a creditor would be subordinate to any security interest in the assets of our subsidiaries and any indebtedness of our subsidiaries senior to indebtedness held by us.

*Active trading markets for the notes may not develop.*

The notes are new issues of securities for which there are currently no public markets, and no active trading markets might ever develop. If the notes are traded after their initial issuance, they may trade at a discount from their initial offering prices, depending on prevailing interest rates, the market for similar securities, our performance and other factors. To the extent that active trading markets do not develop, the liquidity and trading prices for the notes may be harmed.

We have no plans to list the notes on a securities exchange. We have been advised by underwriters that they presently intend to make a market in the notes of each series. However, the underwriters are not obligated to do so. Any market-making activity, if initiated, may be discontinued at any time, for any reason or for no reason, without notice. If the underwriters cease to act as the market makers for the notes, we cannot assure you another firm or person will make markets in the notes.

The liquidity of any markets for the notes will depend upon the number of holders of the notes, our results of operations and financial condition, the markets for similar securities, the interest of securities dealers in making markets in the notes and other factors. Active or liquid trading markets for the notes may not develop.

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***The limited covenants in the indenture for the notes and the terms of the notes do not provide protection against some types of important corporate events and may not protect your investment.***

The indenture for the notes does not:

require us to maintain any financial ratios or specific levels of net worth, revenues, income, cash flow or liquidity and, accordingly, does not protect holders of the notes in the event that we experience significant adverse changes in our financial condition or results of operations;

limit our subsidiaries' ability to incur indebtedness, which could effectively rank senior to the notes;

limit our ability to incur substantial secured indebtedness that would effectively rank senior to the notes to the extent of the value of the assets securing the indebtedness;

limit our ability to incur indebtedness that is equal in right of payment to the notes;

restrict our subsidiaries' ability to issue securities or otherwise incur indebtedness that would be senior to our equity interests in our subsidiaries;

restrict our ability to repurchase or prepay our securities; or

restrict our ability to make investments or to repurchase or pay dividends or make other payments in respect of our common stock or other securities ranking junior to the notes.

Furthermore, the indenture for the notes contains only limited protections in the event of a change in control. We could engage in many types of transactions, such as certain acquisitions, refinancings or recapitalizations that could substantially affect our capital structure and the values of the notes. For these reasons, you should not consider the covenants in the indenture as a significant factor in evaluating whether to invest in the notes.

***Any downgrade in our credit ratings could limit our ability to obtain future financing, increase our borrowing costs and adversely affect the trading prices for, or liquidity of, the notes.***

We are subject to periodic review by independent credit rating agencies. An increase in the level of our outstanding indebtedness, or other events that could have an adverse impact on our financial condition or results of operations, may cause the rating agencies to downgrade, place on negative watch or change their outlook on our debt credit rating generally, and the ratings on the notes, which could adversely impact the trading prices for, or the liquidity of, the notes. Any such downgrade, placement on negative watch or change in outlook could also adversely affect our cost of borrowing, limit our access to the capital markets or result in more restrictive covenants in future debt agreements. The ratings on the notes may not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors that may affect the value of the notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

***We may not have sufficient cash to repurchase the notes upon the occurrence of a change of control triggering event.***

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

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**USE OF PROCEEDS**

We estimate that the net proceeds from this offering will be approximately \$ \_\_\_\_\_ after deducting discounts, commissions and our estimated expenses related to this offering.

We intend to use the net proceeds from this offering to either (i) satisfy our obligation to repurchase all of the Class A preferred shares of our subsidiary, ATL Holdings Limited, sold pursuant to Master Repurchase Agreements between us and various counterparties or, in the alternative, (ii) repay a portion of our borrowings under the Term Loan Credit Agreement. The proceeds from the sale of Class A preferred shares and from borrowings under the Term Loan Credit Agreement were used to fund our acquisition of Onyx Pharmaceuticals, Inc. on October 1, 2013. The remainder of the net proceeds from this offering will be used to repay our outstanding indebtedness at maturity and for other general corporate purposes.

In the event of a repurchase of the Class A preferred shares, such shares will be repurchased from counterparties under the Master Repurchase Agreements for the aggregate sale price of \$3.1 billion, plus any accrued and unpaid payment obligations required by the Master Repurchase Agreements. Under the Master Repurchase Agreements, we are obligated to make payments to the counterparties based on the sale price of the outstanding Class A preferred shares at a floating interest rate based on the London interbank offered rate (as used in this section, LIBOR ) plus 1.1%. Unless previously repurchased by us pursuant to the terms of the Master Repurchase Agreements, we are obligated to repurchase the Class A preferred shares from the counterparties on September 28, 2018. The \$3.1 billion obligation to repurchase the Class A preferred shares is accounted for as long-term debt on our Consolidated Balance Sheet.

In the event of a repayment of a portion of our borrowings under the Term Loan Credit Agreement, we will repay the term loans under the Term Loan Credit Agreement without premium or penalty. As of March 31, 2014, borrowings under the Term Loan Credit Agreement consisted of \$4.75 billion in term loans. The Term Loan Credit Agreement bears interest at a floating rate based on LIBOR plus additional interest, initially 1.0%, which can vary based on the credit ratings assigned to our long-term debt by Standard & Poor's Financial Services LLC and Moody's Investor Service, Inc. A portion of the principal amount of this debt is required to be repaid at the end of each quarter equal to 2.5% of the original amount of the loan, or \$125 million, with the balance due on October 1, 2018.

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	<b>Three Months Ended</b>	<b>Year Ended December 31,</b>				
	<b>March 31, 2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Ratio of Earnings to Fixed Charges	5.3x	5.8x	5.5x	7.0x	8.6x	8.9x

These computations include Amgen and its consolidated subsidiaries. For these ratios, earnings is computed by adding income before income taxes and fixed charges (excluding capitalized interest), excluding our share of income/losses in equity method affiliates and including distributions from our affiliate, Kirin-Amgen, Inc. Fixed charges consist of (i) interest expense, which includes amortized premiums, discounts and capitalized expenses related to indebtedness, (ii) capitalized interest, (iii) a reasonable approximation of the interest factor deemed to be included in rental expense and (iv) preference security dividend requirements of consolidated subsidiaries, which were not material. Fixed charges exclude any interest related to unrecognized tax benefits, which is included in the provision for income taxes in our Consolidated Statements of Income.

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The following table sets forth our unaudited consolidated cash, cash equivalents and marketable securities, long-term restricted investments and capitalization as of March 31, 2014. The table is presented:

on an actual basis; and

as adjusted to reflect the proceeds to us from the sale of the notes pursuant to this offering and the Use of Proceeds described above, assuming such proceeds are used to satisfy our Master Repurchase Agreements obligation. As discussed above, we may alternatively use the proceeds from this offering to repay a portion of our borrowings under the Term Loan Credit Agreement, which is not reflected in the table below.

	<b>As of March 31, 2014</b>	
	<b>Actual</b>	<b>As Adjusted</b>
	<b>(unaudited)</b>	
	<b>(in millions)</b>	
Cash, cash equivalents and marketable securities	\$ 19,802	\$
Long-term restricted investments (1)	3,414	
<b>Total cash, cash equivalents and marketable securities and long-term restricted investments</b>	<b>\$ 23,216</b>	<b>\$</b>
<b>Current portion of long-term debt:</b>		
Senior notes due November 2014 (1.875%)	\$ 1,000	\$ 1,000
Senior notes due November 2014 (4.85%)	1,000	1,000
Term Loan Credit Agreement due October 2018, current portion	500	500
Other	5	5
<b>Total current portion of long-term debt</b>	<b>2,505</b>	<b>2,505</b>
<b>Non-current portion of long-term debt:</b>		
Senior notes due June 2016 (2.30%)	749	749
Senior notes due November 2016 (2.50%)	999	999
Senior notes due May 2017 (2.125%)	1,249	1,249
Senior notes due June 2017 (5.85%)	1,099	1,099
Senior notes due June 2018 (6.15%)	500	500
Master Repurchase Agreements obligation due September 2018	3,100	
Term Loan Credit Agreement due October 2018, noncurrent portion	4,250	4,250
Senior notes due December 2018 (4.375%) (euro denominated)	757	757
Senior notes due February 2019 (5.70%)	999	999
Senior notes due September 2019 (2.125%) (euro denominated)	927	927
Senior notes due March 2020 (4.50%)	300	300
Senior notes due October 2020 (3.45%)	898	898
Senior notes due June 2021 (4.10%)	998	998

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Senior notes due November 2021 (3.875%)	1,746	1,746
Senior notes due 2022 (3.625%)	747	747
Senior notes due 2026 (5.50%) (pound sterling denominated)	786	786
Senior notes due 2029 (4.00%) (pound sterling denominated)	1,151	1,151
Senior notes due 2037 (6.375%)	899	899
Senior notes due 2038 (6.90%)	499	499
Senior notes due 2039 (6.40%)	996	996
Senior notes due 2040 (5.75%)	697	697
Senior notes due October 2041 (4.95%)	596	596
Senior notes due November 2041 (5.15%)	2,233	2,233
Senior notes due 2042 (5.65%)	1,244	1,244

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	<b>As of March 31, 2014</b>	
	<b>Actual</b>	<b>As Adjusted</b>
	<b>(unaudited)</b>	
	<b>(in millions)</b>	
Senior notes due 2043 (5.375%)	1,000	1,000
Senior floating rate notes due 2017 offered hereby		
Senior floating rate notes due 2019 offered hereby		
Senior fixed rate notes due 2017 offered hereby		
Senior fixed rate notes due 2019 offered hereby		
Senior fixed rate notes due 2024 offered hereby		
Other notes	100	100
Total non-current portion of long-term debt	29,519	
<b>Total debt</b>	<b>\$ 32,024</b>	<b>\$</b>
<b>Stockholders equity:</b>		
Preferred stock	\$	\$
Common stock and additional paid-in capital	29,890	29,890
Accumulated deficit	(7,023)	(7,023)
Accumulated other comprehensive loss	(126)	(126)
Total stockholders equity	22,741	22,741
<b>Total capitalization</b>	<b>\$ 54,765</b>	<b>\$</b>

- (1) Reflects the elimination of restrictions on investments and reclassification of these investments, less \$6 million of related interest receivable, to cash, cash equivalents and marketable securities.

**Table of Contents****DESCRIPTION OF NOTES**

The following discussion of the terms of the notes (as defined below) supplements the description of the general terms and provisions of the debt securities contained in the accompanying prospectus and identifies any general terms and provisions described in the accompanying prospectus that will not apply to the notes. To the extent this summary differs from the summary in the accompanying prospectus, you should rely on the description of notes in this prospectus supplement.

We will issue the Senior Floating Rate Notes due 2017 (the 2017 floating rate notes), the Senior Floating Rate Notes due 2019 (the 2019 floating rate notes and, together with the 2017 floating rate notes, the floating rate notes), the % Senior Notes due 2017 (the 2017 fixed rate notes), the % Senior Notes due 2019 (the 2019 fixed rate notes) and the % Senior Notes due 2024 (the 2024 fixed rate notes and, together with the 2017 fixed rate notes and the 2019 fixed rate notes, the fixed rate notes) under an indenture, to be dated as of May , 2014 (the indenture), between us and The Bank of New York Mellon Trust Company, N.A., as trustee (the trustee), and an officer's certificate, to be dated as of May , 2014. The 2017 floating rate notes, the 2019 floating rate notes, the 2017 fixed rate notes, the 2019 fixed rate notes and the 2024 fixed rate notes (together the notes) will each be a separate series of notes under the indenture. We may issue additional notes under the indenture.

The following summary of certain provisions of the indenture, the officer's certificate and the notes does not purport to be complete and is subject to, and qualified in its entirety by reference to, all the provisions of the indenture, the officer's certificate and the notes, including the definitions therein of certain terms. Because the following is only a summary, it does not contain all of the information that you may find useful in evaluating an investment in the notes. We urge you to read the indenture, officer's certificate and the notes because they, and not this description, define your rights as holders of the notes. You may obtain a copy of the indenture and the officer's certificate (which includes forms of the notes) from us upon request, as set forth under Where You Can Find Additional Information; Incorporation by Reference.

As used in this discussion under the heading Description of Notes, unless otherwise specified, the terms Amgen we, our, and us refer solely to Amgen Inc. and not its subsidiaries.

**General**

The notes will be our senior unsecured obligations and will rank equal in right of payment to all of our other unsecured senior indebtedness, whether currently existing or hereafter created;

the 2017 floating rate notes, the 2019 floating rate notes, the 2017 fixed rate notes, the 2019 fixed rate notes and the 2024 fixed rate notes will initially be issued in aggregate principal amounts of \$ , \$ , \$ , \$ and \$ , respectively;

The 2017 floating rate notes will mature on , 2017, the 2019 floating rate notes will mature on , 2019, the 2017 fixed rate notes will mature on , 2017, the 2019 fixed rate notes will mature on , 2019 and the 2024 fixed rate notes will mature on , 2024;



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The 2017 floating rate notes will pay interest at a rate per annum equal to Three-Month LIBOR (as defined below) plus  $\quad\%$ , and the 2019 floating rate notes will pay interest at a rate per annum equal to Three-Month LIBOR plus  $\quad\%$ . We will pay interest on the floating rate notes of each series in cash quarterly in arrears on each  $\quad$ ,  $\quad$ , and  $\quad$ , beginning on  $\quad$ , 2014, and such interest will initially accrue from the date of issuance and thereafter from the last date to which interest has been paid; and

The 2017 fixed rate notes will pay interest at the rate of  $\quad\%$  per annum, the 2019 fixed rate notes will pay interest at the rate of  $\quad\%$  per annum and the 2024 fixed rate notes will pay interest at the rate of

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% per annum, which, in each case, will be payable in cash semi-annually in arrears on each \_\_\_\_\_ and \_\_\_\_\_, beginning on \_\_\_\_\_, 2014, and will initially accrue from the date of issuance and thereafter from the last date to which interest has been paid.

We may, without notice to or the consent of the holders or beneficial owners of the notes of any series, create and issue additional notes and/or notes having the same ranking, interest rate, maturity and other terms as the notes of that series. Any additional debt securities having such similar terms, together with that series of notes, could be considered part of the same series of notes under the indenture.

The notes are redeemable prior to maturity as described below under the heading **Optional Redemption**. The notes do not have the benefit of any sinking funds. The notes of each series will be issued only in registered form without coupons in minimum denominations of \$2,000 and any integral multiple of \$1,000. Each series of notes will be represented by one or more global securities registered in the name of a nominee of The Depository Trust Company, New York, New York, which we refer to as DTC. See **Global Securities Book-Entry; Delivery and Form** in the accompanying prospectus.

Payments on the notes will be made through the paying agent, which will initially be the trustee, to DTC. Payments on the notes will be made in U.S. dollars at the office or agency maintained by us in the Borough of Manhattan, The City of New York (or, if we fail to maintain such office or agency, at the corporate trust office of the trustee in New York, New York or if the trustee does not maintain an office in New York, at the office of a paying agent in New York). At our option, however, if certificated notes (as defined below) are issued, we may make payments by check mailed to the holder's registered address or by wire transfer to the account designated in writing to the trustee. You may present the notes for registration of transfer and exchange, without service charge (but we may require a sum sufficient to cover any tax or other governmental charge in connection with such transfer or exchange), at the office or agency maintained by us in New York, New York (or, if we fail to maintain such office or agency, at the corporate trust office of the trustee in New York, New York or if the trustee does not maintain an office in New York, at the office of a paying agent in New York). The transfer of certificated notes will be registrable, and notes will be exchangeable for notes of other denominations of an equal aggregate principal amount, at such office or agency.

**Interest*****Interest on the Floating Rate Notes***

We will pay interest on the 2017 floating rate notes at a rate per annum equal to Three-Month LIBOR plus % and interest on the 2019 floating rate notes at a rate per annum equal to Three-Month LIBOR plus %. The floating rate notes of each series will accrue interest on their respective stated principal amounts from May \_\_\_\_\_, 2014 or from the most recent interest payment date on which interest has been paid or duly provided for. We will pay interest on the floating rate notes in cash quarterly in arrears on \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_, beginning on \_\_\_\_\_, 2014.

Interest will be paid to the holder in whose name a floating rate note is registered at the close of business on the day that is 15 days prior to the relevant interest payment date, whether or not such day is a Business Day (as defined below).

If any of the quarterly interest payment dates listed above falls on a day that is not a Business Day, we will postpone the interest payment date to the next succeeding Business Day (without any interest or other payment in respect of any such delay) unless that Business Day is in the next succeeding calendar month, in which case the interest payment date will be the immediately preceding Business Day. Interest on the floating rate notes will be computed on the basis of a 360-day year and the actual number of days elapsed.

The interest rate on the floating rate notes will be calculated by the calculation agent appointed by us. The trustee will initially serve as the calculation agent. The interest rate on the 2017 floating rate notes will be equal

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to Three-Month LIBOR plus  $\%$ , and the interest rate on the 2019 floating rate notes will be equal to Three-Month LIBOR plus  $\%$ . In the case of the 2017 floating rate notes, the interest rate in effect for the period from May , 2014 to but not including , 2014, the initial interest reset date, was established by us as the rate for deposits in United States dollars having a maturity of three months commencing on May , 2014 that appeared on Reuters Screen LIBOR01 Page as of 11:00 a.m., London Time, on the second Business Day preceding May , 2014, plus  $\%$ , which amount was  $\%$ . In the case of the 2019 floating rate notes, the interest rate in effect for the period from May , 2014 to but not including , 2014, the initial interest reset date, was established by us as the rate for deposits in United States dollars having a maturity of three months commencing on May , 2014 that appeared on Reuters Screen LIBOR01 Page as of 11:00 a.m., London Time, on the second Business Day preceding May , 2014, plus  $\%$ , which amount was  $\%$ .

The calculation agent will reset the interest rate applicable to the 2017 floating rate notes and the 2019 floating rate notes on each interest payment date, each of which we will refer to as an interest reset date. The second Business Day preceding an interest reset date will be the interest determination date for that interest reset date. The interest rate in effect on each day that is not an interest reset date will be the interest rate determined as of the interest determination date pertaining to the immediately preceding interest reset date, except that the interest rate in effect for the period from May , 2014 to but not including the initial interest reset date was, for the 2017 floating rate notes,  $\%$ , and, for the 2019 floating rate notes,  $\%$ . The interest rate in effect on any day that is an interest reset date will be the interest rate determined as of the interest determination date pertaining to that interest reset date.

*Three-Month LIBOR* will be determined by the calculation agent in accordance with the following provisions:

(1) With respect to any interest determination date, Three-Month LIBOR will be the rate for deposits in United States dollars having a maturity of three months commencing on the first day of the applicable interest period that appears on Reuters Screen LIBOR01 Page as of 11:00 a.m., London time, on that interest determination date. If no rate appears, then Three-Month LIBOR, in respect to that interest determination date, will be determined in accordance with the provisions described in (2) below.

(2) With respect to an interest determination date on which no rate appears on Reuters Screen LIBOR01 Page (or such other page as may replace such page), as specified in (1) above, the calculation agent will request the principal London offices of each of four major reference banks in the London interbank market, as selected by the calculation agent (after consultation with us), to provide the calculation agent with its offered quotation for deposits in United States dollars for the period of three months, commencing on the first day of the applicable interest period, to prime banks in the London interbank market at approximately 11:00 a.m., London time, on that interest determination date and in a principal amount that is representative for a single transaction in United States dollars in that market at that time. If at least two quotations are provided, then Three-Month LIBOR on that interest determination date will be the arithmetic mean of those quotations. If fewer than two quotations are provided, then Three-Month LIBOR on the interest determination date will be the arithmetic mean of the rates quoted at approximately 11:00 a.m., in The City of New York, on the interest determination date by three major banks in The City of New York selected by the calculation agent (after consultation with us) for loans in United States dollars to leading European banks, having a three-month maturity and in a principal amount that is representative for a single transaction in United States dollars in that market at that time. If at least two such rates are so provided, Three-Month LIBOR on the interest determination date will be the arithmetic mean of such rates. If fewer than two such rates are so provided, Three-Month LIBOR on the interest determination date will be Three-Month LIBOR in effect with respect to the immediately preceding interest determination date.

*Reuters Screen LIBOR01 Page* means the display designated on page LIBOR01 on the Reuters Monitor Money Rates Service or any other successor service or page as may replace Reuters Screen LIBOR01 Page for the purpose of

displaying London interbank offered rates for United States dollar deposits of major banks.

All percentages resulting from any calculation of any interest rate for the floating rate notes of each series will be rounded, if necessary, to the nearest one hundred thousandth of a percentage point, with five one-millionths

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of a percentage point rounded upward (e.g., 3.876545% (or .03876545) would be rounded to 3.87655% (or .0387655)), and all dollar amounts will be rounded to the nearest cent, with one-half cent being rounded upward.

***Interest on the Fixed Rate Notes***

The 2017 fixed rate notes will accrue interest at a rate of % per annum, the 2019 fixed rate notes will accrue interest at a rate of % per annum and the 2024 fixed rate notes will accrue interest at a rate of % per annum. The fixed rate notes of each series will accrue interest on their respective stated principal amounts from May , 2014, or from the most recent interest payment date on which interest has been paid or duly provided for. Accrued and unpaid interest on each series of the fixed rate notes will be payable in cash semi-annually in arrears on and of each year, beginning on , 2014. Interest will be paid to the holder in whose name a fixed rate note is registered at the close of business on the day that is 15 days prior to the relevant interest payment date, whether or not such day is a Business Day.

The amount of interest payable for any full semi-annual interest period will be computed on the basis of a 360-day year of twelve 30-day months. The amount of interest payable for any period shorter than a full semi-annual interest period for which interest is computed, will be computed on the basis of 30-day months and, for periods of less than a month, the actual number of days elapsed per 30-day month. If any date on which interest, principal or premium is payable on the fixed rate notes is not a Business Day, then payment of such amounts payable on such date will be made on the next succeeding day that is a Business Day (and without any interest or other payment in respect of any such delay) with the same force and effect as if made on such interest payment date or maturity date, as the case may be.

Any amounts payable on any notes that are not punctually paid on any payment date will cease to be payable to the person in whose name such notes are registered on the relevant record date, and such defaulted payment will instead be payable to the person in whose name such notes are registered on the special record date or other specified date determined in accordance with the indenture.

**Ranking**

The notes will be senior unsecured obligations of Amgen. The notes will rank:

equal in right of payment to all of our other existing and future senior unsecured indebtedness, including indebtedness under our Revolving Credit Agreement, our Term Loan Credit Agreement, our 1.875% Senior Notes due November 2014, our 4.85% Senior Notes due November 2014, our 2.30% Senior Notes due June 2016, our 2.50% Senior Notes due November 2016, our 2.125% Senior Notes due May 2017, our 5.85% Senior Notes due June 2017, our 6.15% Senior Notes due June 2018, our Master Repurchase Agreements obligation due September 2018, our 4.375% Senior Notes due December 2018 (euro denominated), our 5.70% Senior Notes due February 2019, our 2.125% Senior Notes due September 2019 (euro denominated), our 4.50% Senior Notes due March 2020, our 3.45% Senior Notes due October 2020, our 4.10% Senior Notes due June 2021, our 3.875% Senior Notes due November 2021, our 3.625% Senior Notes due 2022, our 5.50% Senior Notes due 2026 (pound sterling denominated), our 4.00% Senior Notes due 2029 (pound sterling denominated), our 6.375% Senior Notes due 2037, our 6.90% Senior Notes due 2038, our 6.40% Senior Notes due 2039, our 5.75% Senior Notes due 2040, our 4.95% Senior Notes due October 2041, our 5.15% Senior Notes due November 2041, our 5.65% Senior Notes due 2042, our 5.375% Senior Notes due 2043 and other existing unsubordinated long-term debt;

senior in right of payment to all of our existing and future subordinated indebtedness; and

effectively subordinated in right of payment to all of our subsidiaries' obligations (including secured and unsecured obligations) and subordinated in right of payment to our secured obligations, to the extent of the assets securing such obligations.

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The notes and the indenture do not limit our ability to incur additional indebtedness. We may incur substantial additional amounts of indebtedness in the future.

**Optional Redemption**

The floating rate notes will not be subject to redemption at our option.

The 2017 fixed rate notes may be redeemed prior to maturity at our option, at any time in whole or from time to time in part at a redemption price equal to the sum of (1) 100% of the principal amount being redeemed, plus accrued and unpaid interest to, but not including, the redemption date, and (2) the Make-Whole Amount (as defined below), if any.

The 2019 fixed rate notes may be redeemed prior to maturity at our option, at any time in whole or from time to time in part. If the 2019 fixed rate notes are redeemed before \_\_\_\_\_, 2019 (one month prior to the maturity date of the 2019 fixed rate notes), the redemption price will equal the sum of (1) 100% of the principal amount being redeemed, plus accrued and unpaid interest to, but not including, the redemption date, and (2) the Make-Whole Amount (as defined below), if any. If the 2019 fixed rate notes are redeemed on or after \_\_\_\_\_, 2019 (one month prior to the maturity date of the 2019 fixed rate notes), the redemption price will equal 100% of the principal amount being redeemed, plus accrued and unpaid interest to, but not including the redemption date.

The 2024 fixed rate notes may be redeemed prior to maturity at our option, at any time in whole or from time to time in part. If the 2024 fixed rate notes are redeemed before \_\_\_\_\_, 2024 (three months prior to the maturity date of the 2024 fixed rate notes), the redemption price will equal the sum of (1) 100% of the principal amount being redeemed, plus accrued and unpaid interest to, but not including, the redemption date, and (2) the Make-Whole Amount (as defined below), if any. If the 2024 fixed rate notes are redeemed on or after \_\_\_\_\_, 2024 (three months prior to the maturity date of the 2024 fixed rate notes), the redemption price will equal 100% of the principal amount being redeemed, plus accrued and unpaid interest to, but not including the redemption date.

If less than all the notes of a series are to be redeemed, the notes of such series to be redeemed will be selected as follows: (a) if the notes are in the form of global securities, in accordance with the procedures of the applicable depository; (b) if the notes are listed on any national securities exchange, in compliance with the requirements of the principal national securities exchange, if any, on which the notes are listed; or (c) if not otherwise provided for under clause (a) or (b) in the manner that the trustee deems fair and appropriate, including by lot or other method, unless otherwise required by law or applicable stock exchange requirements, subject, in the case of global securities, to the applicable rules and procedures of the applicable depository. The notes to be redeemed shall be selected from notes of that series not previously called for redemption. Portions of the principal amount of the notes of that series that have denominations larger than \$2,000 may be selected for redemption. Notes of that series and portions of them selected for redemption shall be in amounts of \$2,000 or whole multiples of \$1,000. Provisions of the indenture that apply to notes called for redemption also apply to portions of those notes called for redemption.

If we give notice as provided in the indenture and funds for the redemption of any notes called for redemption sufficient to pay the redemption price have been deposited with the paying agent on or before 11:00 a.m., New York time, on the redemption date, such notes will cease to bear interest on the date fixed for redemption. Thereafter, the only right of the holders of such notes will be to receive payment of the redemption price.

Upon surrender of a note that is redeemed in part, we shall execute and the trustee shall authenticate for the holder a new note of the same series and the same maturity equal in principal amount to the unredeemed portion of the note surrendered.



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We will give notice of any optional redemption to the registered holders of notes at least 15 but not more than 60 days before a redemption date. The notice shall identify the notes to be redeemed and shall state:

the redemption date;

the redemption price;

the name and address of the paying agent;

if any notes are being redeemed in part, the portion of the principal amount of such notes to be redeemed and that, after the redemption date and upon surrender of such notes, a new note or notes in principal amount equal to the unredeemed portion of the original note shall be issued in the name of the holder of the notes thereof upon cancellation of the original note;

that the notes called for redemption must be surrendered to the paying agent to collect the redemption price;

that interest on the notes called for redemption ceases to accrue on and after the redemption date unless we default in the deposit of the redemption price; and

the CUSIP number of the notes.

At our request, the trustee shall give the notice of redemption in our name and at our expense.

**Change of Control Offer**

If a change of control triggering event occurs, unless we have exercised our option to redeem the notes as described above, we will be required to make an offer (the "change of control offer") to each holder of the notes to repurchase all or any part (equal to \$2,000 or an integral multiple of \$1,000 in excess thereof) of that holder's notes on the terms set forth in such notes. In the change of control offer, we will be required to offer payment in cash equal to 101% of the aggregate principal amount of notes repurchased, plus accrued and unpaid interest, if any, on the notes repurchased to the date of repurchase (the "change of control payment"). Within 30 days following any change of control triggering event, a notice will be provided to holders of the notes describing the transaction that constitutes the change of control triggering event and offering to repurchase the notes on the date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is provided (the "change of control payment date"); provided, however, that in no event will the change of control payment date occur prior to the date 90 days following the first issue date of the notes.

On the change of control payment date, we will, to the extent lawful:

accept for payment all notes or portions of notes properly tendered pursuant to the change of control offer;

deposit with the paying agent an amount equal to the change of control payment in respect of all notes or portions of notes properly tendered; and

deliver or cause to be delivered to the trustee the notes properly accepted together with an officer's certificate stating the aggregate principal amount of notes or portions of notes being repurchased.

We will not repurchase any notes if there has occurred and is continuing on the change of control payment date an event of default under the indenture, other than a default in the payment of the change of control payment upon a change of control triggering event.

We will comply with the requirements of Rule 14e-1 under the Securities Exchange Act of 1934, as amended (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 notes as a result of a change of control

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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 notes, 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 notes by virtue of any such conflict.

For purposes of the change of control offer provisions of the notes, the following terms will be applicable:

*Beneficial owner* shall be determined in accordance with Rules 13d-3 and 13d-5 under the Exchange Act or any successor provisions, except that a person will be deemed to have beneficial ownership of all shares that person has the right to acquire irrespective of whether that right is exercisable immediately or only after the passage of time.

*Change of control* means the occurrence of any of the following: (1) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any person or group (other than our company or one of our subsidiaries) becomes the beneficial owner, directly or indirectly, of more than 50% of our voting stock or other voting stock into which our voting stock is reclassified, consolidated, exchanged or changed, measured by voting power rather than number of shares; provided, however, that a person shall not be deemed beneficial owner of, or to own beneficially, (A) any securities tendered pursuant to a tender or exchange offer made by or on behalf of such person or any of such person's affiliates until such tendered securities are accepted for purchase or exchange thereunder, or (B) any securities if such beneficial ownership (i) arises solely as a result of a revocable proxy delivered in response to a proxy or consent solicitation made pursuant to the applicable rules and regulations under the Exchange Act, and (ii) is not also then reportable on Schedule 13D (or any successor schedule) under the Exchange Act; (2) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or more series of related transactions, of all or substantially all of our assets and the assets of our subsidiaries, taken as a whole, to one or more persons or groups (other than our company or one of our subsidiaries), provided that none of the circumstances in this clause (2) will be a change of control if the persons that beneficially own our voting stock immediately prior to the transaction own, directly or indirectly, shares with a majority of the total voting power of all outstanding voting securities of the surviving or transferee person that are entitled to vote generally in the election of that person's board of directors, managers or trustees immediately after the transaction; (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 the voting stock of such other person is converted into or exchanged for cash, securities or other property, other than such transaction where the shares of our voting stock outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the voting stock of the surviving person or any direct or indirect parent company of the surviving person immediately after giving effect to such transaction; (4) the first day on which a majority of the members of our Board of Directors are not continuing directors; or (5) the adoption of a plan relating to our liquidation or dissolution. Notwithstanding the foregoing, a transaction will not be deemed to involve a change of control under clause (1) above if (i) we become a direct or indirect wholly-owned subsidiary of a holding company and (ii) (A) the direct or indirect holders of the voting stock of such holding company immediately following that transaction are substantially the same as the holders of our voting stock immediately prior to that transaction or (B) immediately following that transaction no person (other than a holding company satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 50% of the voting stock of such holding company.

*Change of control triggering event* means the occurrence of both a change of control and a rating event.

*Fitch* means Fitch, Inc., and its successors.

*Group* has the meaning given by Section 13(d) and 14(d) of the Exchange Act or any successor provisions and includes any group acting for the purpose of acquiring, holding or disposing of securities within the meaning of Rule 13d-5(b)(1) under the Exchange Act or any successor provision.

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*Investment grade rating* means a rating equal to or higher than Baa3 (or the equivalent) by Moody's, BBB (or the equivalent) by S&P and BBB (or the equivalent) by Fitch, and the equivalent investment grade credit rating from any additional rating agency or rating agencies selected by us.

*Moody's* means Moody's Investors Service, Inc., and its successors.

*Person* has the meaning given by Section 13(d) and 14(d) of the Exchange Act or any successor provisions.

*Rating agencies* means (1) each of Fitch, Moody's and S&P; and (2) if any of Fitch, Moody's or S&P ceases to rate the notes or fails to make a rating of the notes publicly available for reasons outside of our control, a nationally recognized statistical rating organization within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act selected by us (as certified by a resolution of our Board of Directors) as a replacement agency for Fitch, Moody's or S&P, or all of them, as the case may be.

*Rating event* means the rating on the applicable series of notes is lowered by at least two of the three rating agencies and the notes are rated below an investment grade rating by at least two of the three rating agencies on any day during the period commencing 60 days prior to the first public notice of the occurrence of a change of control or our intention to effect a change of control and ending 60 days following consummation of such change of control (which period will be extended so long as the rating of the applicable series of notes is under publicly announced consideration for a possible downgrade by any of the rating agencies).

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

*Voting stock* as applied to stock of any person, means shares, interests, participations or other equivalents in the equity interest (however designated) in such person having ordinary voting power for the election of a majority of the directors (or the equivalent) of such person, other than shares, interests, participations or other equivalents having such power only by reason of the occurrence of a contingency.

**Certain Covenants**

***Limitation on Liens***

We will not, nor will we permit any of our Subsidiaries to, create or incur any Lien on any of our or their respective Properties, whether now owned or hereafter acquired, or upon any income or profits therefrom, in order to secure any of our Indebtedness, without effectively providing that any series of notes shall be equally and ratably secured until such time as such Indebtedness is no longer secured by such Lien, except:

- (1) Liens existing as of the first issue date of the notes;
- (2) Liens granted after the first issue date of the notes on any of our or our Subsidiaries' Properties securing our Indebtedness created in favor of the holders of the notes;
- (3) Liens securing our Indebtedness which are incurred to extend, renew or refinance Indebtedness which is secured by Liens permitted to be incurred under the indenture; provided that those Liens do not extend to or cover any of our or our Subsidiaries' Property other than the Property securing the Indebtedness being refinanced and that the principal amount of such Indebtedness does not exceed the principal amount of the Indebtedness being refinanced;

(4) Liens created in substitution of or as replacements for any Liens permitted by the clauses directly above, provided that, based on a good faith determination of one of our officers, the Property encumbered under any such substitute or replacement Lien is substantially similar in nature to the Property encumbered by the otherwise permitted Lien which is being replaced; and

(5) Permitted Liens.

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Notwithstanding the foregoing, we and any of our Subsidiaries may, without securing any series of notes, create or incur Liens which would otherwise be subject to the restrictions set forth in the preceding paragraph, if after giving effect thereto, Exempted Debt does not exceed the greater of (a) 35% of Consolidated Net Worth calculated as of the date of the creation or incurrence of the Lien or (b) 35% of Consolidated Net Worth calculated as of the first issue date of the notes.

### ***Limitation on Sale and Lease-Back Transactions***

We will not, nor will we permit any of our Subsidiaries to, enter into any sale and lease-back transaction for the sale and leasing back of any Property, whether now owned or hereafter acquired, of ours or any of our Subsidiaries, unless:

- (1) such transaction was entered into prior to the first issue date of the notes;
- (2) such transaction was for the sale and leasing back to us of any Property by one of our Subsidiaries;
- (3) such transaction involves a lease for less than three years;
- (4) we would be entitled to incur Indebtedness secured by a mortgage on the property to be leased in an amount equal to the Attributable Liens with respect to such sale and lease-back transaction without equally and ratably securing the notes pursuant to the first paragraph of *Limitation on Liens* above; or
- (5) we apply an amount equal to the fair value of the Property sold to the purchase of Property or to the retirement of our or any of our Subsidiaries' long-term Indebtedness within 120 days of the effective date of any such sale and lease-back transaction. In lieu of applying such amount to such retirement, we may, or may cause any of our Subsidiaries to, deliver debt securities to the trustee therefor for cancellation, such debt securities to be credited at the cost thereof to us.

Notwithstanding the foregoing, we and any of our Subsidiaries may enter into any sale lease-back transaction which would otherwise be subject to the foregoing restrictions if after giving effect thereto and at the time of determination, Exempted Debt does not exceed the greater of (a) 35% of Consolidated Net Worth calculated as of the closing date of the sale-leaseback transaction or (b) 35% of Consolidated Net Worth calculated as of the first issue date of the notes.

### **Certain Definitions**

As used in this section, the following terms have the meanings set forth below.

*Attributable Liens* means in connection with a sale and lease-back transaction the lesser of:

- (1) the fair market value of the assets subject to such transaction; and
- (2) the present value (discounted at a rate per annum equal to the average interest borne by all outstanding debt securities issued under the indenture (which may include debt securities in addition to the notes offered hereby) determined on a weighted average basis and compounded semi-annually) of the obligations of the lessee for rental payments during the term of the related lease.



*Business Day* means any day except a Saturday, Sunday or a legal holiday in the City of New York, New York (or in connection with any payment, the place of payment) on which banking institutions are authorized or required by law, regulation or executive order to close and, solely for purposes of determining the interest rate on the floating rate notes, which day is also a London Business Day.

*Capital Lease* means any Indebtedness represented by a lease obligation of a Person incurred with respect to real property or equipment acquired or leased by such Person and used in its business that is required to be recorded as a capital lease in accordance with GAAP.

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*Consolidated Net Worth* means, as of any date of determination, the Stockholders' Equity of us and our Consolidated Subsidiaries on that date.

*Consolidated Subsidiary* means, as of any date of determination and with respect to any Person, any Subsidiary of that Person whose financial data is, in accordance with GAAP, reflected in that Person's consolidated financial statements.

*Continuing director* means, as of any date of determination, any member of our Board of Directors who:

- (1) was a member of our Board of Directors on the first issue date of the notes; or
- (2) was nominated for election or elected to our Board of Directors with the approval of a majority of the continuing directors who were members of our Board of Directors at the time of such nomination or election.

*Credit Facilities* means, one or more debt facilities (including, without limitation, the Revolving Credit Agreement and the Term Loan Credit Agreement) or commercial paper facilities, in each case, with banks or other institutional lenders providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case, as amended, restated, modified, renewed, refunded, replaced (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to institutional investors) in whole or in part from time to time.

*Exempted Debt* means the sum of the following as of the date of determination:

- (1) our Indebtedness incurred after the first issue date of the notes and secured by Liens not permitted by the first sentence under *Limitation on Liens* above; and
- (2) our and our Subsidiaries' *Attributable Liens* in respect of sale and lease-back transactions entered into after the first issue date of the notes pursuant to the second paragraph of *Limitation on Sale and Lease-Back Transactions* above.

*GAAP* means accounting principles generally accepted in the United States set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect as of the date of determination.

*Governmental Agency* means:

- (1) any foreign, federal, state, county or municipal government, or political subdivision thereof;
- (2)

any governmental or quasi-governmental agency, authority, board, bureau, commission, department, instrumentality or public body;

(3) any court or administrative tribunal; and

(4) with respect to any Person, any arbitration tribunal or other nongovernmental authority to whose jurisdiction that Person has consented.

*Hedging Obligations* means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

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- (3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates or commodity prices.

*Indebtedness* of any Person means, without duplication, any indebtedness, whether or not contingent, in respect of borrowed money or evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements with respect thereto) or representing the balance deferred and unpaid of the purchase price of any Property (including pursuant to Capital Leases), except any such balance that constitutes an accrued expense or trade payable, if and to the extent any of the foregoing indebtedness would appear as a liability upon a balance sheet of such Person prepared on a consolidated basis in accordance with GAAP (but does not include contingent liabilities which appear only in a footnote to a balance sheet), and shall also include, to the extent not otherwise included, the guaranty of items which would be included within this definition.

*Laws* means, collectively, all foreign, federal, state and local statutes, treaties, rules, regulations, ordinances, codes and administrative or controlling precedents of any Governmental Agency.

*Lien* means any lien, security interest, charge or encumbrance of any kind (including any conditional sale or other title retention agreement, any lease in the nature thereof, and any agreement to give any security interest).

*London Business Day* means any day on which dealings in United States dollars are transacted in the London interbank market.

*Make-Whole Amount* means the excess of (1) the net present value, on the redemption date, of the principal being redeemed or paid and the amount of interest (exclusive of interest accrued to the date of redemption) that would have been payable if such redemption had not been made, over (2) the aggregate principal amount of the notes being redeemed or paid. Net present value shall be determined by discounting, on a semi-annual basis, such principal and interest at the Reinvestment Rate (as defined below and as determined on the third Business Day preceding the date such notice of redemption is given) from the respective dates on which such principal and interest would have been payable if such redemption had not been made.

*Permitted Liens* means:

- (1) Liens securing Indebtedness under Credit Facilities;
- (2) Liens on accounts receivable, merchandise inventory, equipment, and patents, trademarks, trade names and other intangibles, securing our Indebtedness;
- (3) Liens on any of our assets, any of our Subsidiaries' assets, or the assets of any joint venture to which we or any of our Subsidiaries is a party, created solely to secure obligations incurred to finance the refurbishment, improvement or construction of such asset, which obligations are incurred no later than 24 months after completion of such refurbishment, improvement or construction, and all renewals, extensions, refinancings, replacements or refundings of such obligations;
- (4) (a) Liens given to secure the payment of the purchase price incurred in connection with the acquisition (including acquisition through merger or consolidation) of Property (including shares of stock), including

Capital Lease transactions in connection with any such acquisition, and (b) Liens existing on Property at the time of acquisition thereof or at the time of acquisition by us or one of our Subsidiaries of any Person then owning such Property whether or not such existing Liens were given to secure the payment of the purchase price of the Property to which they attach; provided that, with respect to clause (a), the Liens shall be given within 24 months after such acquisition and shall attach solely to the Property acquired or purchased and any improvements then or thereafter placed thereon;

- (5) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

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- (6) Liens upon specific items of inventory or other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;
- (7) Liens securing reimbursement obligations with respect to letters of credit that encumber documents and other Property relating to such letters of credit and the products and proceeds thereof;
- (8) Liens on key-man life insurance policies granted to secure our Indebtedness against the cash surrender value thereof;
- (9) Liens encumbering customary initial deposits and margin deposits and other Liens in the ordinary course of business, in each case securing Hedging Obligations and forward contract, option, futures contracts, futures options or similar agreements or arrangements designed to protect us or any of our Subsidiaries from fluctuations in interest rates, currencies or the price of commodities;
- (10) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into by us or any of our Subsidiaries in the ordinary course of business;
- (11) pre-existing Liens on assets acquired by us or any of our Subsidiaries after the first issue date of the notes;
- (12) Liens in our favor or the favor of any of our Subsidiaries;
- (13) inchoate Liens incident to construction or maintenance of real property, or Liens incident to construction or maintenance of real property, now or hereafter filed of record for sums not yet delinquent or being contested in good faith, if reserves or other appropriate provisions, if any, as shall be required by GAAP shall have been made therefor;
- (14) statutory Liens arising in the ordinary course of business with respect to obligations which are not delinquent or are being contested in good faith, if reserves or other appropriate provisions, if any, as shall be required by GAAP shall have been made therefor;
- (15) Liens consisting of pledges or deposits to secure obligations under workers' compensation laws or similar legislation, including Liens of judgments thereunder which are not currently dischargeable;
- (16) Liens consisting of pledges or deposits of Property to secure performance in connection with operating leases made in the ordinary course of business to which we or any of our Subsidiaries is a party as lessee, provided the aggregate value of all such pledges and deposits in connection with any such lease does not at any time exceed 16 2/3% of the annual fixed rentals payable under such lease;

- (17) Liens consisting of deposits of Property to secure our statutory obligations or statutory obligations of any of our Subsidiaries in the ordinary course of its business;
- (18) Liens consisting of deposits of Property to secure (or in lieu of) surety, appeal or customs bonds in proceedings to which we or any of our Subsidiaries is a party in the ordinary course of its business, but not in excess of \$75,000,000;
- (19) purchase money Liens or purchase money security interests upon or in any Property acquired or held by us or any of our Subsidiaries in the ordinary course of business to secure the purchase price of such Property or to secure indebtedness incurred solely for the purpose of financing the acquisition of such Property;
- (20) Liens on an asset created in connection with the acquisition, construction or development of additions, extensions or improvements to such asset which shall be financed by obligations described in Sections 142, 144(a) or 144(c) of the Internal Revenue Code of 1986, as amended, or by obligations entitled to substantially similar tax benefits under other legislation or regulations in effect from time to time; and
- (21) Liens on Property subject to escrow or similar arrangements established in connection with litigation settlements.

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

*Property* means any property or asset, whether real, personal or mixed, or tangible or intangible.

*Reinvestment Rate* means for the 2017 fixed rate notes, %, for the 2019 fixed rate notes, %, and, for the 2024 fixed rate notes, %, in each case plus the arithmetic mean of the yields under the respective heading "Week Ending" published in the most recent Statistical Release (as defined below) under the caption "Treasury Constant Maturities" for the maturity (rounded to the nearest month) corresponding to the remaining life to maturity, as of the payment date of the principal being redeemed or paid. If no maturity exactly corresponds to such maturity, yields for the two published maturities most closely corresponding to such maturity shall be calculated pursuant to the immediately preceding sentence and the Reinvestment Rate shall be interpolated or extrapolated from such yields on a straight-line basis, rounding in each of such relevant periods to the nearest month. For the purpose of calculating the Reinvestment Rate, the most recent Statistical Release published prior to the date of determination of the Make-Whole Amount shall be used.

*Revolving Credit Agreement* means the Credit Agreement, dated as of December 2, 2011, among us, the banks therein named, Citibank, N.A., as administrative agent, JPMorgan Chase Bank, N.A., as syndication agent and Citigroup Global Markets Inc. and J.P. Morgan Securities LLC, as joint lead arrangers and joint book runners, as such agreement may be amended (including any amendment, restatement, refinancing and successors thereof), supplemented or otherwise modified from time to time, including any increase in the principal amount of the obligations thereunder.

*Statistical Release* means the statistical release designated H.15(519) or any successor publication which is published weekly by the Federal Reserve System and which establishes yields on actively traded United States government securities adjusted to constant maturities, or, if such Statistical Release is not published at the time of any determination under the indenture, then such other reasonably comparable index which shall be designated by us.

*Stockholders' Equity* means, as of any date of determination, stockholders' equity as of that date determined in accordance with GAAP; provided that there shall be excluded from Stockholders' Equity any amount attributable to capital stock that is, directly or indirectly, required to be redeemed or repurchased by the issuer thereof at a specified date or upon the occurrence of specified events or at the election of the holder thereof.

*Subsidiary* of any specified person means any corporation, association or other business entity of which more than 50% of the total voting power of shares of capital stock entitled (without 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 such person or one or more of the other Subsidiaries of that person or a combination thereof.

*Term Loan Credit Agreement* means the Term Loan Facility Credit Agreement, dated as of September 20, 2013, among us, the banks therein named, Bank of America, N.A., as administrative agent, and Barclays Bank PLC and JPMorgan Chase Bank, N.A., as syndication agents, as such agreement may be amended (including any amendment, restatement, refinancing and successors thereof), supplemented or otherwise modified from time to time, including any increase in the principal amount of the obligations thereunder.

**Events of Default**

Event of default means, with respect to each series of notes, any of the following:



default in the payment of any interest on the notes of that series when it becomes due and payable, and continuance of such default for a period of 30 days (unless the entire amount of the payment is deposited by us with the trustee or with a paying agent prior to the expiration of the 30-day period);

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default in the payment of principal of the notes of that series at their maturity;

default in the performance or breach of any other covenant or warranty by us in the indenture (other than defaults pursuant to the previous two bullet points above or pursuant to a covenant or warranty that has been included in the indenture solely for the benefit of a series of debt securities other than that series of notes), which default continues uncured for a period of 90 days after we receive written notice from the trustee or we and the trustee receive written notice from the holders of not less than a majority in principal amount of the outstanding notes of the affected series as provided in the indenture; or

certain voluntary or involuntary events of bankruptcy, insolvency or reorganization of our company.

No event of default with respect to the notes (except as to certain events of bankruptcy, insolvency or reorganization) necessarily constitutes an event of default with respect to any other series of debt securities. The occurrence of an event of default may constitute an event of default under our bank credit agreements in existence from time to time. In addition, the occurrence of certain events of default or an acceleration under the indenture may constitute an event of default under certain of our other indebtedness outstanding from time to time.

We will provide the trustee written notice of any default or event of default within 30 days of becoming aware of the occurrence of such default or event of default, which notice will describe in reasonable detail the status of such default or event of default and what action we are taking or propose to take in respect thereof.

If an event of default with respect to a series of notes occurs and is continuing (other than an event of default regarding certain events of bankruptcy, insolvency or reorganization of our company), then the trustee or the holders of not less than a majority in principal amount of the outstanding notes of that series may, by a notice in writing to us (and to the trustee if given by the holders), declare to be due and payable immediately the principal of, and accrued and unpaid interest, if any, on all notes of that series. In the case of an event of default resulting from certain events of bankruptcy, insolvency or reorganization, the principal of and accrued and unpaid interest, if any, on all outstanding debt securities issued under the indenture will become and be immediately due and payable without any declaration or other act on the part of the trustee or any holder of outstanding debt securities, including the notes. At any time after a declaration of acceleration with respect to a series of notes has been made, and before a judgment or decree for payment of the money due has been obtained by the trustee, the holders of a majority in principal amount of the outstanding notes of that series may, by written notice to us and the trustee, rescind and annul such acceleration if all events of default, other than the non-payment of accelerated principal and interest, if any, with respect to the notes of that series, have been cured or waived as provided in the indenture.

The indenture provides that the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request of any holder of notes, unless the trustee receives indemnity satisfactory to it against any cost, liability or expense which might be incurred by it in exercising such right or power. Subject to certain rights of the trustee, the holders of a majority in principal amount of the outstanding notes of the affected series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee with respect to the notes of that series.

No holder of any note of any series will have any right to institute any proceeding, judicial or otherwise, with respect to the indenture, or for the appointment of a receiver or trustee, or for any remedy under the indenture unless, among other things:

that holder has previously given to the trustee written notice of a continuing event of default with respect to the notes of that series; and

the holders of at least a majority in principal amount of the outstanding notes of that series have made written request, and offered reasonable indemnity or security, to the trustee to institute the proceeding

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as trustee, and the trustee has not received from the holders of a majority in principal amount of the outstanding notes of that series a direction inconsistent with that request and has failed to institute the proceeding within 60 days.

Notwithstanding any other provision in the indenture, the holder of any note will have an absolute and unconditional right to receive payment of the principal of, premium and any interest on that note on or after the due dates expressed in that note and to institute suit for the enforcement of any such payment.

If any securities are outstanding under the indenture, the indenture requires us, within 120 days after the end of each fiscal year, to furnish to the trustee a statement as to our compliance with the indenture. If a default or event of default occurs and is continuing with respect to notes of any series and if it is known to a responsible officer of the trustee, the trustee shall deliver to each holder of the notes of that series notice of a default or event of default within 90 days after it occurs. The indenture provides that the trustee may withhold notice to the holders of the notes of any default or event of default (except in the case of a default or event of default in payment of principal of or interest on any note of that series) with respect to notes of that series if it in good faith determines that withholding notice is in the interest of the holders of those notes.

**Modification and Waiver**

We and the trustee may modify and amend the indenture or notes of any series without the consent of any holder of notes:

to cure any ambiguity, defect or inconsistency;

to comply with the covenant described below under the heading Consolidation, Merger and Sale of Assets;

to provide for uncertificated notes in addition to or in place of certificated notes;

to add guarantees with respect to notes of any series or secure notes of any series;

to surrender any of our rights or powers under the indenture;

to add covenants or events of default for the benefit of the holders of notes of any series;

to comply with the applicable procedures of the applicable depositary;

to make any change that would not adversely affect the rights of any holder of notes;

to provide for the issuance of and establish the form and terms and conditions of additional notes of any series as permitted by the indenture;

to effect the appointment of a successor trustee with respect to the notes and to add to or change any of the provisions of the indenture to provide for or facilitate administration by more than one trustee; or

to comply with requirements of the SEC in order to effect or maintain the qualification of the indenture under the Trust Indenture Act of 1939.

We may also modify and amend the indenture with the consent of the holders of at least a majority in principal amount of the outstanding notes of each series affected by the modifications or amendments. We may not make any modification or amendment without the consent of the holders of each affected note then outstanding if that amendment will:

reduce the amount of notes whose holders must consent to an amendment, supplement or waiver;

reduce the rate of or extend the time for payment of interest (including any additional amounts) on the notes;

reduce the principal of or premium on or change the fixed maturity of the notes;

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waive a default in the payment of the principal of, premium or interest on the notes (except a rescission of acceleration of the notes by the holders of at least a majority in aggregate principal amount of the then outstanding notes of that series and a waiver of the payment default that resulted from such acceleration);

make the principal of or interest on the notes payable in currency other than that stated in the notes;

make any change to certain provisions of the indenture relating to, among other things, the right of holders of the notes to receive payment of the principal of, premium and interest on the notes and to institute suit for the enforcement of any such payment and to waivers or amendments; or

waive a redemption payment with respect to the notes.

Except for certain specified provisions, the holders of at least a majority in principal amount of the outstanding notes of the affected series may, on behalf of the holders of all the notes of that series, waive our compliance with provisions of the indenture. The holders of a majority in principal amount of the outstanding notes of the affected series may, on behalf of the holders of all the notes of such series, waive any past default under the indenture with respect to that series and its consequences, except a default in the payment of the principal of, premium or any interest on any note of that series; provided, however, that the holders of a majority in principal amount of the outstanding notes of the affected series may rescind an acceleration and its consequences, including any related payment default that resulted from such acceleration.

No amendment to cure any ambiguity, defect or inconsistency in the indenture made solely to conform the indenture to the description of notes contained in this prospectus supplement will be deemed to adversely affect the interests of the holders of the notes.

## **Consolidation, Merger and Sale of Assets**

We may not consolidate with or merge with or into, or convey, transfer or lease all or substantially all of our properties and assets to, any person, which we refer to as a successor person, unless:

we are the surviving corporation or the successor person (if other than Amgen) is organized and validly existing under the laws of any U.S. domestic jurisdiction and expressly assumes pursuant to a supplemental indenture, our obligations on the notes and under the indenture; and

immediately after giving effect to the transaction, no default or event of default shall have occurred and be continuing under the indenture.

Notwithstanding the foregoing, any of our Subsidiaries may consolidate with, merge into or transfer all or part of its properties and assets to us.

## **Defeasance and Covenant Defeasance**

### ***Legal Defeasance***

The indenture provides that we may be discharged from any and all obligations in respect of the notes (subject to certain exceptions). We will be so discharged upon the deposit with the trustee, in trust, of money and/or U.S. government obligations that, through the payment of interest and principal in accordance with their terms, will provide money or U.S. government obligations in an amount sufficient in the opinion of a nationally recognized firm of independent public accountants or investment bank to pay and discharge each installment of principal of, premium and interest on the notes on the stated maturity of those payments in accordance with the terms of the indenture and the notes.

This discharge may occur only if, among other things, we have delivered to the trustee an opinion of counsel stating that we have received from, or there has been published by, the United States Internal Revenue Service a

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ruling or, since the date of execution of the indenture, there has been a change in the applicable United States federal income tax law, in either case to the effect that, and based thereon such opinion shall confirm that, the holders of the notes will not recognize income, gain or loss for United States federal income tax purposes as a result of the deposit, defeasance and discharge and will be subject to United States federal income tax on the same amounts and in the same manner and at the same times as would have been the case if such deposit, defeasance and discharge had not occurred.

### ***Defeasance of Certain Covenants***

The indenture provides that upon compliance with certain conditions:

we may omit to comply with the covenant described under the heading Consolidation, Merger and Sale of Assets and certain other covenants set forth in the indenture, as well as any additional covenants set forth in this prospectus supplement; and

any omission to comply with those covenants will not constitute a default or an event of default with respect to the notes, which we refer to as a covenant defeasance.

The conditions include:

depositing with the trustee money and/or U.S. government obligations that, through the payment of interest and principal in accordance with their terms, will provide money in an amount sufficient in the opinion of a nationally recognized firm of independent public accountants or investment bank to pay and discharge each installment of principal of, premium and interest on the notes on the stated maturity of those payments in accordance with the terms of the indenture and the notes; and

delivering to the trustee an opinion of counsel to the effect that the holders of the notes will not recognize income, gain or loss for United States federal income tax purposes as a result of the deposit and related covenant defeasance and will be subject to United States federal income tax on the same amounts and in the same manner and at the same times as would have been the case if the deposit and related covenant defeasance had not occurred.

### ***Covenant Defeasance and Events of Default***

In the event we exercise our option to effect covenant defeasance with respect to any series of the notes and the notes of that series are declared due and payable because of the occurrence of any event of default, the amount of money and/or U.S. government obligations on deposit with the trustee will be sufficient to pay amounts due on the notes of that series at the time of their stated maturity but may not be sufficient to pay amounts due on the notes of that series at the time of the acceleration resulting from the event of default. In such a case, we would remain liable for those payments.

### ***Concerning the Trustee***

The Bank of New York Mellon Trust Company, N.A. is trustee under the indenture.



**Governing Law**

The indenture and the notes, including any claim or controversy arising out of or relating to the indenture or the notes, will be governed by the laws of the State of New York.

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**MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES**

The following discussion is a summary of the material United States federal income tax consequences relevant to the purchase, ownership and disposition of the notes, but does not purport to be a complete analysis of all potential tax effects. The discussion is based upon the Internal Revenue Code of 1986, as amended (the Code), United States Treasury Regulations issued thereunder, Internal Revenue Service (IRS) rulings and pronouncements, and judicial decisions, all as of the date hereof and all of which are subject to change at any time. Any such change may be applied retroactively in a manner that could adversely affect a holder of the notes. We have not sought any ruling from the IRS with respect to the statements made and the conclusions reached in the following discussion, and there can be no assurance that the IRS will agree with such statements and conclusions.

This discussion does not address all of the United States federal income tax consequences that may be relevant to a holder in light of such holder's particular circumstances, including the impact of the Medicare contribution tax on net investment income, or to holders subject to special rules, including, without limitation:

banks, insurance companies and other financial institutions;