

DOMINION RESOURCES INC /VA/

Form 424B5

June 09, 2009

**Table of Contents**

**The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying base 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, June 9, 2009**

**Filed Pursuant to Rule 424(b)(5)  
Registration No. 333-157013**

**PRELIMINARY PROSPECTUS SUPPLEMENT**

**(To Prospectus dated January 29, 2009)**

**\$**

**Dominion Resources, Inc.**

**2009 Series A                      % Enhanced Junior Subordinated Notes**

The Enhanced Junior Subordinated Notes (the Junior Subordinated Notes) will bear interest at        % per year and will mature on June 15, 2064, subject to extensions to no later than June 15, 2079, as described in this prospectus supplement. We will pay interest on the Junior Subordinated Notes on March 15, June 15, September 15 and December 15 of each year, beginning September 15, 2009. The securities will be issued in registered form and in denominations of \$25 and integral multiples of \$25.

We may defer interest payments on the Junior Subordinated Notes on one or more occasions for up to 10 consecutive years as described in this prospectus supplement. Deferred interest payments will accumulate additional interest at a rate equal to the interest rate applicable to the Junior Subordinated Notes, to the extent permitted by applicable law.

We may redeem the Junior Subordinated Notes at our option at the times and at the redemption prices described in this prospectus supplement.

We intend to apply to list the Junior Subordinated Notes on the New York Stock Exchange. Trading on the New York Stock Exchange is expected to commence within 30 days after the Junior Subordinated Notes are first issued.

**Investing in the Junior Subordinated Notes involves risks. For a description of these risks, see Risk Factors beginning on page S-12.**

**Public Offering  
Price (1)**

**Underwriting  
Discount(2)**

**Proceeds to Company  
Before Expenses(2)**

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Per Junior Subordinated Note	\$	\$	\$
Total(3)	\$	\$	\$

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- (1) Plus accrued interest from June , 2009, if settlement occurs after that date.
  - (2) Underwriting commissions of \$ per Junior Subordinated Note (or up to \$ for all Junior Subordinated Notes) will be deducted from the proceeds paid to us by the underwriters. However, the commission will be \$ per Junior Subordinated Note for sales to institutions and, to the extent of such sales, the total underwriting discount will be less than the amount described in this prospectus supplement. As a result of sales to institutions, the total proceeds to us increased by \$ .
  - (3) Assumes no exercise of over-allotment option.

The underwriters will have the option to purchase within three business days after June , 2009 up to an additional \$ in principal amount of the Junior Subordinated Notes in order to cover over-allotments, if any.

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

The Junior Subordinated Notes will be ready for delivery in book-entry form only through The Depository Trust Company on or about June , 2009.

*Joint Book-Running Managers*

**Banc of America Securities LLC**

**Citi**

**Morgan Stanley**

**UBS Investment Bank**

**Wachovia Securities**

The date of this prospectus supplement is June , 2009.

**Table of Contents**

**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is in two parts. The first part is the prospectus supplement, which describes the specific terms of the Junior Subordinated Notes and certain other matters relating to us and our financial condition. The second part, the accompanying base prospectus, gives more general information about the junior subordinated notes we may offer from time to time, some of which does not apply to the Junior Subordinated Notes we are offering at this time. Generally, when we refer to the prospectus, we are referring to both parts of this document combined. To the extent the description of the Junior Subordinated Notes in the prospectus supplement differs from the description of the junior subordinated notes in the accompanying base prospectus, you should only rely on the information in the prospectus supplement.

You should rely only on the information contained in this document or to which this document refers you, or in other offering materials filed by us with the Securities and Exchange Commission (SEC). We have not authorized anyone, and we have not authorized the underwriters to authorize anyone, to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. This document may only be used where it is legal to sell these securities. The information which appears in this document and which is incorporated by reference in this document may only be accurate as of the date of this prospectus supplement or the date of the document in which incorporated information appears. Our business, financial condition, results of operations and prospects may have changed since the date of that information.

**TABLE OF CONTENTS**

**Prospectus Supplement**

	<b>Page</b>
<u>About This Prospectus Supplement</u>	S-2
<u>Where You Can Find More Information</u>	S-4
<u>Forward-Looking Information</u>	S-4
<u>Prospectus Supplement Summary</u>	S-6
<u>Risk Factors</u>	S-12
<u>Dominion</u>	S-20
<u>Use of Proceeds</u>	S-21
<u>Capitalization</u>	S-22
<u>Ratio of Earnings to Fixed Charges</u>	S-23
<u>Specific Terms of the Junior Subordinated Notes</u>	S-24
<u>Certain Terms of the Replacement Capital Covenant</u>	S-31
<u>Book-Entry Procedures and Settlement</u>	S-33
<u>Certain U.S. Federal Income Tax Considerations</u>	S-34
<u>Underwriting</u>	S-38
<u>Legal Matters</u>	S-40
<u>Experts</u>	S-40

**Base Prospectus**

	<b>Page</b>
<u>About This Prospectus</u>	2
<u>Where You Can Find More Information</u>	2
<u>Safe Harbor and Cautionary Statements</u>	3
<u>Dominion</u>	3
<u>The Trust</u>	4
<u>Use of Proceeds</u>	5
<u>Ratio of Earnings to Fixed Charges</u>	5
<u>Description of Debt Securities</u>	6
<u>Additional Terms of the Senior Debt Securities</u>	15

**Table of Contents**

	<b>Page</b>
<u>Additional Terms of the Junior Subordinated Debentures</u>	15
<u>Additional Terms of the Junior Subordinated Notes</u>	16
<u>Description of the Trust Preferred Securities</u>	17
<u>Description of the Guarantee</u>	26
<u>Agreement as to Expenses and Liabilities</u>	29
<u>Relationship Among the Trust Preferred Securities, the Guarantee and the Applicable Series of Debt Securities Held by the Trust</u>	29
<u>Description of Capital Stock</u>	29
<u>Virginia Stock Corporation Act and the Articles and the Bylaws</u>	31
<u>Description of Stock Purchase Contracts and Stock Purchase Units</u>	33
<u>Plan of Distribution</u>	33
<u>Legal Opinions</u>	35
<u>Experts</u>	35

S-3

**Table of Contents**

**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Our file number with the SEC is 001-08489. Our SEC filings are available to the public over the Internet at the SEC's web site at <http://www.sec.gov>. You may also read and copy any document we file at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. You may also read and copy these documents at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

The SEC allows us to incorporate by reference the information we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus supplement and information that we file later with the SEC will automatically update or supersede this information. We incorporate by reference the documents listed below and any future filings made with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act), until such time as all of the securities covered by this prospectus supplement have been sold:

Annual Report on Form 10-K for the year ended December 31, 2008;

Quarterly Report on Form 10-Q for the quarter ended March 31, 2009; and

Current Reports on Form 8-K, filed January 29, 2009 (with respect to Items 5.02, 8.01 and 9.01) (other than any portions of those documents not deemed to be filed), February 10, 2009 and May 11, 2009.

You may request a copy of these filings, at no cost, by writing or telephoning us at:

Corporate Secretary, Dominion Resources, Inc., 120 Tredegar Street, Richmond, Virginia 23219, Telephone (804) 819-2000.

**FORWARD-LOOKING INFORMATION**

We have included certain information in this prospectus supplement or other offering materials which is forward-looking information as defined by the Private Securities Litigation Reform Act of 1995. Examples include discussions as to our expectations, beliefs, plans, goals, objectives and future financial or other performance or assumptions concerning matters discussed in this prospectus. This information, by its nature, involves estimates, projections, forecasts and uncertainties that could cause actual results or outcomes to differ substantially from those expressed in the forward-looking statement.

Our business is influenced by many factors that are difficult to predict, involve uncertainties that may materially affect actual results and are often beyond our ability to control. We have identified a number of these factors in this prospectus supplement, under the heading Risk Factors, and we refer you to that discussion for further information. The factors include unusual weather conditions and their effect on energy sales to customers and energy commodity prices; extreme weather events, including hurricanes and winter storms, that can cause outages and property damage to our facilities; state and federal legislative and regulatory developments and changes to environmental and other laws and regulations, including those related to climate change, greenhouse gas (GHG) emissions and other emissions to which we are subject; cost of environmental compliance, including those relating to climate change; risks associated with the operation of nuclear facilities; fluctuations in energy-related commodity prices and the effect these could have on our earnings, liquidity position and the underlying value of our assets; counterparty credit risk; capital market conditions, including the availability of credit and our ability to obtain financing on reasonable terms; price risk due to marketable securities held as investments in nuclear decommissioning and benefit plan trusts; fluctuations in interest rates; changes in federal and state tax laws and regulations; changes in rating agency requirements or credit ratings and their effect on availability and cost of capital; changes in financial or regulatory accounting principles or policies imposed by governing bodies;

**Table of Contents**

employee workforce factors including collective bargaining agreements and labor negotiations with union employees; the risks of operating businesses in regulated industries that are subject to changing regulatory structures; receipt of approvals for and timing of closing dates for acquisitions and divestitures; changes in rules for regional transmission organizations (RTOs) in which we participate, including changes in rate designs and new and evolving capacity models; political and economic conditions, including the threat of domestic terrorism, inflation and deflation; changes to rates for our regulated electric utility operations, including the outcome of our 2009 base rate review, and the timing of such collection as it relates to fuel costs; timing and receipt of regulatory approvals necessary for planned construction or expansion projects; the inability to complete planned construction projects within the terms and time frames initially anticipated; completing the divestiture of The Peoples Natural Gas Company (Peoples) and Hope Gas, Inc. (Hope); and adverse outcomes in litigation matters.

Any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which it is made.

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**Table of Contents**

**PROSPECTUS SUPPLEMENT SUMMARY**

*In this prospectus supplement, unless otherwise indicated or the context otherwise requires, the words Dominion, Company, we, our and us refer to Dominion Resources, Inc., a Virginia corporation, and its subsidiaries and predecessors.*

*The following summary contains basic information about this offering. It may not contain all the information that is important to you. The SPECIFIC TERMS OF THE JUNIOR SUBORDINATED NOTES section of this prospectus supplement and the DESCRIPTION OF DEBT SECURITIES and ADDITIONAL TERMS OF THE JUNIOR SUBORDINATED NOTES sections of the accompanying base prospectus contain more detailed information regarding the terms and conditions of the Junior Subordinated Notes. The following summary is qualified in its entirety by reference to the more detailed information appearing elsewhere in this prospectus supplement and in the accompanying base prospectus.*

**DOMINION**

Dominion, headquartered in Richmond, Virginia, is one of the nation's largest producers and transporters of energy. Dominion also operates the nation's largest natural gas storage network and serves retail energy customers in 12 states. As of March 31, 2009, we had approximately \$41.7 billion in assets.

We currently manage our operations through three primary business segments that are designed to streamline operations and position us for long-term growth in the competitive energy marketplace by focusing on our electric and gas products and services. They are:

*Dominion Energy* Dominion Energy manages our 14,000 miles of natural gas transmission, gathering and storage pipeline, and a 942 billion cubic foot natural gas storage network. This business segment includes our Ohio regulated natural gas distribution operations that serve approximately 1.2 million residential, commercial and industrial gas sales and transportation customers. Dominion Energy also operates our Cove Point, Maryland liquefied natural gas import and storage facility. In addition, it oversees our natural gas production located in the Appalachian Basin and producer services, which aggregates natural gas supply, engages in natural gas trading and marketing activities, provides market-based services related to fuel and natural gas supply management, and supplies price risk management services to Dominion affiliates.

*Dominion Generation* Dominion Generation manages our approximately 27,000 megawatt portfolio of merchant and regulated utility electric power generation and guides our generation growth strategy and energy trading and marketing activities associated with our generation assets. The generation mix is diversified and includes coal, nuclear, gas, oil, renewables and purchased power. Our electric generation operations currently focus on serving customers in the energy intensive Northeast, Mid-Atlantic and Midwest regions of the United States. Our generation facilities are located in Connecticut, Illinois, Indiana, Massachusetts, North Carolina, Pennsylvania, Rhode Island, Virginia, West Virginia and Wisconsin.

*Dominion Virginia Power* Dominion Virginia Power manages our regulated electric distribution and electric transmission operations in Virginia and northeastern North Carolina as well as our nonregulated retail energy marketing and regulated and nonregulated customer service operations. Our regulated electric distribution operations serve approximately 2.4 million residential, commercial, industrial and governmental customer accounts in Virginia and northeastern North Carolina, and our nonregulated retail energy marketing operations serve approximately 1.7 million customer accounts in the Northeast, Mid-Atlantic, South and Midwest.

Dominion's address and telephone number are: 120 Tredegar Street, Richmond, Virginia 23219, Telephone (804) 819-2000.

**Table of Contents****Ratio of Earnings to Fixed Charges**

3 Months Ended March 31, 2009	12 Months Ended March 31, 2009	Years Ended December 31,				
		2008	2007	2006	2005	2004
2.56	3.19	3.63	4.28	2.81	2.34	2.83

See RATIO OF EARNINGS TO FIXED CHARGES on page S-23.

**THE OFFERING****The Junior Subordinated Notes**

We are offering \$ \_\_\_\_\_ aggregate principal amount of the Junior Subordinated Notes (\$ \_\_\_\_\_ if the underwriters exercise their over-allotment option in full). The Junior Subordinated Notes will mature on June 15, 2064, subject to extensions to no later than June 15, 2079 as described in this prospectus supplement. The Junior Subordinated Notes will be issued in denominations of \$25 and integral multiples of \$25.

The Junior Subordinated Notes will be issued under our Junior Subordinated Indenture II, dated as of June 1, 2006 (Subordinated Indenture II) between us and The Bank of New York Mellon (successor to JPMorgan Chase Bank, N.A.) as Trustee (the Trustee), as supplemented by a Third Supplemental and Amending Indenture, dated as of June 1, 2009, between us, the Trustee and Deutsche Bank Trust Company Americas (the Series Trustee). The Junior Subordinated Notes will be represented by one or more global securities that will be deposited with or held on behalf of and registered in the name of The Depository Trust Company, New York, New York (DTC) or its nominee. This means that you will not receive a certificate for your Junior Subordinated Notes but, instead, will hold your interest through DTC's system. We expect that the Junior Subordinated Notes will be ready for delivery through DTC on or about the date indicated on the cover of this prospectus supplement.

Following the issuance of the Junior Subordinated Notes offered by this prospectus supplement, the Subordinated Indenture II permits us to reopen this series of Junior Subordinated Notes and create and issue additional Junior Subordinated Notes of this series without notice to, or the consent of, the holders of the Junior Subordinated Notes. Such additional Junior Subordinated Notes will have the same terms as the Junior Subordinated Notes in all respects (except for the payment of interest accruing prior to the issue date of the additional Junior Subordinated Notes or except for the first payments of interest following the issue date of the additional Junior Subordinated Notes) so that the additional Junior Subordinated Notes may be consolidated and form a single series with the Junior Subordinated Notes.

**Maturity**

The maturity date of the Junior Subordinated Notes initially will be June 15, 2064, but will be automatically extended, except for any portion of the principal amount of the Junior Subordinated Notes that shall have been earlier redeemed or with respect to which notice of redemption shall have been given to the holders of such Junior Subordinated Notes, for an additional quarterly period on each of March 15, June 15, September 15 and December 15, beginning on June 15, 2014 through and including March 15, 2019, without notice to, or the consent of, the holders of the Junior Subordinated Notes. Subject to the conditions described in this prospectus supplement, the maturity date will be further extended for additional quarterly periods beginning on June 15, 2019 through and including March 15, 2029, except for any portion of the principal amount of the Junior Subordinated Notes that shall have been earlier redeemed or with respect to which notice of redemption shall have been given to the holders of such Junior Subordinated Notes. For example, a Junior Subordinated Note which has not been redeemed or called for redemption on or before June 15, 2014, will have its final maturity



## **Table of Contents**

extended by one quarter to September 15, 2064. The final maturity date of the Junior Subordinated Notes will be no later than June 15, 2079, on which date the entire principal amount of the Junior Subordinated Notes will become due and payable, together with any accrued and unpaid interest. See SPECIFIC TERMS OF THE JUNIOR SUBORDINATED NOTES Maturity on page S-24.

### **Interest**

The Junior Subordinated Notes will bear interest at \_\_\_\_\_ % per year. Subject to our right to defer interest payments described below, interest is payable quarterly in arrears on March 15, June 15, September 15 and December 15 of each year, beginning September 15, 2009.

For a more complete description of interest payable on the Junior Subordinated Notes, see SPECIFIC TERMS OF THE JUNIOR SUBORDINATED NOTES Interest on page S-26.

### **Record Dates**

So long as the Junior Subordinated Notes remain in book-entry only form, the record date for each interest payment date will be the close of business on the business day before the applicable interest payment date.

If the Junior Subordinated Notes are not in book-entry only form, the record date for each interest payment date will be the close of business on the fifteenth calendar day prior to the applicable interest payment date (whether or not a business day).

### **Option to Defer Interest Payments**

So long as there is no event of default with respect to the Junior Subordinated Notes under the Subordinated Indenture II pursuant to which the Junior Subordinated Notes will be issued, at our option, we may, on one or more occasions, defer payment of all or part of the current and accrued interest otherwise due on the Junior Subordinated Notes for a period of up to 10 consecutive years (each period, commencing on the date that the first such interest payment would otherwise have been made, an Optional Deferral Period). In other words, we may declare at our discretion up to a 10-year interest payment moratorium on the Junior Subordinated Notes and may choose to do that on more than one occasion. A deferral of interest payments may not extend beyond the maturity date of the Junior Subordinated Notes (which is June 15, 2064, subject to extensions as described in this prospectus supplement), and we may not begin a new Optional Deferral Period and may not pay current interest on the Junior Subordinated Notes until we have paid all accrued interest on the Junior Subordinated Notes from the previous Optional Deferral Period.

Any deferred interest on the Junior Subordinated Notes will accrue additional interest at a rate equal to the interest rate applicable to the Junior Subordinated Notes, to the extent permitted by applicable law. Once we pay all deferred interest payments on the Junior Subordinated Notes, including any additional interest accrued on the deferred interest, we can again defer interest payments on the Junior Subordinated Notes as described above, but not beyond the maturity date of the Junior Subordinated Notes.

We will give the Series Trustee written notice of our election to begin an Optional Deferral Period at least one business day before the record date for the next interest payment date. The Series Trustee will forward any written notice that we give at our election to begin an Optional Deferral Period to the holders of the Junior Subordinated Notes. However, our failure to pay interest on any interest payment date will itself constitute the commencement of an Optional Deferral Period unless we pay such interest within five business days after the interest payment date, whether or not we provide a notice of an Optional Deferral Period. We have no current intention of deferring interest payments on the Junior Subordinated Notes.

## **Table of Contents**

### **Dividend Stopper; Other Limitations**

Unless we have paid all accrued and payable interest on the Junior Subordinated Notes and we are not deferring any interest payments on the Junior Subordinated Notes at such time, we will not and our subsidiaries will not do any of the following, with certain limited exceptions:

declare or pay any dividends (other than dividends paid in shares of capital stock) or distributions, or redeem, purchase, acquire, or make a liquidation payment on any of Dominion Resources, Inc.'s capital stock;

make any payment of principal of or interest or premium, if any, on or repay, repurchase or redeem any of our debt securities that rank equally with or junior in interest to the Junior Subordinated Notes (including debt securities of other series issued under the Subordinated Indenture II); or

make any guarantee payments on any guarantee of debt securities if the guarantee ranks equally with or junior in interest to the Junior Subordinated Notes.

See SPECIFIC TERMS OF THE JUNIOR SUBORDINATED NOTES Option to Defer Interest Payments Certain Limitations During an Optional Deferral Period on page S-27.

Even though you will not receive any interest payments on your Junior Subordinated Notes during an Optional Deferral Period, you likely will be required to include amounts in income for United States federal income tax purposes during such period, regardless of your method of accounting for United States federal income tax purposes. You should consult with your own tax advisor regarding the tax consequences of an investment in the Junior Subordinated Notes. See CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS U.S. Holders on page S-35.

### **Redemption**

We may redeem the Junior Subordinated Notes before their maturity at the redemption prices described in SPECIFIC TERMS OF THE JUNIOR SUBORDINATED NOTES Redemption on page S-29 and Right to Redeem at Make-Whole Amount or Rating Agency Event Make-Whole Amount on page S-29:

in whole or in part on one or more occasions before June 15, 2014 at the Make-Whole Amount, plus accrued and unpaid interest,

in whole or in part on one or more occasions on or after June 15, 2014 at 100% of their principal amount, plus accrued and unpaid interest,

in whole, but not in part, before June 15, 2014 at 100% of their principal amount, plus accrued and unpaid interest, if certain changes in tax laws, regulations or interpretations occur, or

in whole or in part on one or more occasions before June 15, 2014 at the Rating Agency Event Make-Whole Amount, plus accrued and unpaid interest if a rating agency makes certain changes in the equity credit criteria for securities such as the Junior Subordinated Notes.

The changes that will constitute a tax event or a rating agency event are more fully described below under the caption SPECIFIC TERMS OF THE JUNIOR SUBORDINATED NOTES Redemption Right to Redeem at Make-Whole Amount or Rating Agency Event Make-Whole Amount on page S-29.

### **Replacement Capital Covenant**

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Around the time of the initial issuance of the Junior Subordinated Notes, we will enter into a Replacement Capital Covenant (as described under CERTAIN TERMS OF THE REPLACEMENT CAPITAL COVENANT on page S-31) in which we will covenant for the benefit of holders of a designated series of our indebtedness, other than the Junior Subordinated Notes, that we will not redeem or purchase, or satisfy, discharge or defease

S-9

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## **Table of Contents**

(collectively, defease or a defeasance) the Junior Subordinated Notes on or before June 15, 2034 (which date will be automatically extended for additional quarterly periods to no later than June 15, 2049, if and to the extent that the maturity date of the Junior Subordinated Notes is extended as provided in SPECIFIC TERMS OF THE JUNIOR SUBORDINATED NOTES Maturity on page S-24), unless, subject to certain limitations, during the 180 days prior to the date of that redemption, purchase or defeasance we have received a specified amount of proceeds from the sale of qualifying securities that have equity-like characteristics that are the same as, or more equity-like than, the applicable characteristics of the Junior Subordinated Notes at that time. The Replacement Capital Covenant is not intended for the benefit of holders of the Junior Subordinated Notes and may not be enforced by them, and the Replacement Capital Covenant is not a term of the Subordinated Indenture II or the Junior Subordinated Notes.

### **Ranking**

Our payment obligations under the Junior Subordinated Notes will be unsecured and will rank junior and be subordinated in right of payment and upon liquidation to all of our current and future indebtedness, except for Parity Junior Subordinated Notes and other junior subordinated notes we may issue in the future as described under the caption SPECIFIC TERMS OF THE JUNIOR SUBORDINATED NOTES Ranking on page S-25. However, the Junior Subordinated Notes will rank equally with our Parity Junior Subordinated Notes, trade accounts payable and accrued liabilities arising in the ordinary course of business. As of March 31, 2009, we had approximately \$8.2 billion principal amount of outstanding long-term debt on an unconsolidated basis (including securities due within one year and junior subordinated debentures issued under our Subordinated Indenture dated as of December 1, 1997 (Junior Subordinated Debentures)) that will be senior to the Junior Subordinated Notes.

Additionally, because we are a holding company and conduct all of our operations through our subsidiaries, holders of Junior Subordinated Notes will generally have a junior position to claims of creditors of our subsidiaries, including trade creditors, debtholders, secured creditors, taxing authorities, guarantee holders and any preferred stockholders. As of March 31, 2009, our subsidiary Virginia Electric and Power Company had approximately 2.59 million issued and outstanding shares of preferred stock with an aggregate liquidation preference of \$259 million. Additionally, as of March 31, 2009, our subsidiaries had approximately \$6.4 billion principal amount of outstanding long-term debt (including securities due within one year).

There are no terms in the Subordinated Indenture II or the Junior Subordinated Notes that limit our ability or the ability of our subsidiaries to incur additional indebtedness, and we expect from time to time to incur additional indebtedness constituting senior indebtedness that will be senior to the Junior Subordinated Notes.

### **Expected Ratings**

We expect that the Junior Subordinated Notes will be rated Baa3, BBB and BBB by Moody's Investors Service (Moody's), Standard & Poor's Ratings Services (Standard & Poor's) and Fitch Ratings Ltd. (Fitch), respectively. Credit ratings are intended to provide banks and capital market participants with a framework for comparing the credit quality of securities and are not a recommendation to buy, sell or hold these securities. Each rating may be subject to revision or withdrawal at any time, and should be evaluated independently of any other rating.

### **U.S. Federal Income Tax Considerations**

In connection with the issuance of the Junior Subordinated Notes, our counsel McGuireWoods LLP will render its opinion to us that, for United States federal income tax purposes, the Junior Subordinated Notes will be classified as indebtedness (although there is no controlling authority directly on point). This opinion is subject to certain customary conditions. See CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS on page S-34.

**Table of Contents**

Each purchaser of Junior Subordinated Notes agrees, by accepting the Junior Subordinated Notes or a beneficial interest therein, to treat them as indebtedness for all United States federal, state and local tax purposes. We intend to treat the Junior Subordinated Notes in the same manner.

If we elect to defer interest on the Junior Subordinated Notes, the holders of the Junior Subordinated Notes will be required to accrue income for United States federal income tax purposes in the amount of the accumulated interest payments on the Junior Subordinated Notes, in the form of original issue discount, even though cash interest payments are deferred and even though the holders may be cash basis taxpayers.

**Listing of Junior Subordinated Notes**

We intend to apply for the listing of the Junior Subordinated Notes on the New York Stock Exchange. If approved for listing, trading of the Junior Subordinated Notes on the New York Stock Exchange is expected to begin within 30 days after they are first issued.

**Use of Proceeds**

We intend to use the net proceeds from the sale of the Junior Subordinated Notes for general corporate purposes. See USE OF PROCEEDS on page S-21.

**Risk Factors**

Investing in the Junior Subordinated Notes involves risks. See RISK FACTORS beginning on page S-12 for a discussion of factors you should carefully consider before deciding to invest in the Junior Subordinated Notes.

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## **Table of Contents**

### **RISK FACTORS**

*Your investment in the Junior Subordinated Notes involves certain risks. There are certain risks associated with the Junior Subordinated Notes themselves. In addition, our business is influenced by many factors that are difficult to predict, involve uncertainties that may materially affect actual results and are often beyond our control. We have identified a number of these risks and factors below. In consultation with your own financial and legal advisers, you should carefully consider, among other matters, the following discussion of risks before deciding whether an investment in the Junior Subordinated Notes is suitable for you.*

#### **Risks Related to the Junior Subordinated Notes**

***We may elect to defer interest payments on the Junior Subordinated Notes at our option for one or more periods of up to 10 years. This may affect the market price of the Junior Subordinated Notes.*** We may elect at our option to defer payment of all or part of the current and accrued interest otherwise due on the Junior Subordinated Notes for one or more periods of up to 10 consecutive years, as described in this prospectus supplement under SPECIFIC TERMS OF THE JUNIOR SUBORDINATED NOTES Option to Defer Interest Payments. At the end of an Optional Deferral Period, if all amounts due are paid, we could start a new Optional Deferral Period of up to 10 consecutive years. During any Optional Deferral Period, interest on the Junior Subordinated Notes would be deferred but would accrue additional interest at a rate equal to the interest rate on the Junior Subordinated Notes, to the extent permitted by applicable law. No Optional Deferral Period may extend beyond the maturity date of the Junior Subordinated Notes. If we exercise our right to defer interest payments, the Junior Subordinated Notes may trade at a price that does not fully reflect the value of accrued but unpaid interest on the Junior Subordinated Notes or that is otherwise less than the price at which the Junior Subordinated Notes may have been traded if we had not exercised such right. In addition, as a result of our right to defer interest payments, the market price of the Junior Subordinated Notes may be more volatile than other securities that do not have these rights.

***We are not permitted to pay current interest on the Junior Subordinated Notes until we have paid all outstanding deferred interest, and this could have the effect of extending interest deferral periods.*** During an Optional Deferral Period of less than 10 years, we will be prohibited from paying current interest on the Junior Subordinated Notes until we have paid all accrued and unpaid deferred interest. As a result, we may not be able to pay current interest on the Junior Subordinated Notes if we do not have available funds to pay all accrued and unpaid interest.

***The Junior Subordinated Notes are effectively subordinated to substantially all of our other debt, including the debt of our subsidiaries.*** Our obligations under the Junior Subordinated Notes are subordinate and junior in right of payment to all of our other indebtedness, except any indebtedness that by its terms is subordinated to, or ranks on an equal basis with, the Junior Subordinated Notes. This means that we cannot make any payments on the Junior Subordinated Notes if we default on a payment of any of our other indebtedness and do not cure the default within the applicable grace period, if the holders of all of our other indebtedness have the right to accelerate the maturity of all of our other indebtedness and request that we cease payments on the Junior Subordinated Notes or if the terms of all of our other indebtedness otherwise restrict us from making payments to junior creditors.

Due to the subordination provisions described in SPECIFIC TERMS OF THE JUNIOR SUBORDINATED NOTES Ranking on page S-25 and ADDITIONAL TERMS OF THE JUNIOR SUBORDINATED NOTES Subordination in the accompanying base prospectus, in the event of our insolvency, funds which we would otherwise use to pay the holders of the Junior Subordinated Notes will be used to pay the holders of all of our other more senior indebtedness to the extent necessary to pay all of our other more senior indebtedness in full. As a result of those payments, our trade creditors may recover less, ratably, than the holders of all of our other more senior indebtedness and these trade creditors may recover more, ratably, than the holders of the Junior Subordinated Notes. In addition, the holders of all of our other more senior indebtedness may, under certain circumstances, restrict or prohibit us from making payments on the Junior Subordinated Notes.

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## **Table of Contents**

Holders of Junior Subordinated Notes will generally have a junior position to claims of creditors of our subsidiaries, including trade creditors, debtholders, secured creditors, taxing authorities, guarantee holders and any preferred stockholders. In addition to trade debt, many of our operating subsidiaries have ongoing intercompany debt programs used to finance their business activities. All of this intercompany debt will be effectively senior to the Junior Subordinated Notes.

There are no terms in the Subordinated Indenture II or the Junior Subordinated Notes that limit our ability or our subsidiaries' ability to incur additional indebtedness, and we expect both from time to time to incur additional indebtedness that will be senior to the Junior Subordinated Notes.

***We are a holding company, and payments on the Junior Subordinated Notes will only be made from our earnings and assets, and not those of our subsidiaries.*** We are a holding company that conducts substantially all of our operations through our subsidiaries. Therefore, our ability to meet our obligations for payment of interest and principal on outstanding debt obligations and to pay dividends to shareholders and corporate expenses depends upon the earnings and cash flows of our subsidiaries and the ability of our subsidiaries to pay dividends or to advance or repay funds to us.

***Our right to redeem or purchase the Junior Subordinated Notes is limited by a covenant that we are making in favor of certain other debtholders.*** By their terms, the Junior Subordinated Notes may be redeemed by us before their maturity at the redemption prices described in SPECIFIC TERMS OF THE JUNIOR SUBORDINATED NOTES Redemption on page S-29 and Right to Redeem at Make-Whole Amount or Rating Agency Event Make-Whole Amount on page S-29, plus accrued and unpaid interest, (i) in whole or in part on one or more occasions before June 15, 2014; (ii) in whole or in part on one or more occasions on or after June 15, 2014; (iii) in whole, but not in part, before June 15, 2014 if certain changes in tax laws, regulations or interpretations occur; or (iv) in whole or in part on one or more occasions before June 15, 2014 if a rating agency makes certain changes in the equity credit criteria for securities such as the Junior Subordinated Notes. However, around the time of the initial issuance of the Junior Subordinated Notes, we are entering into a Replacement Capital Covenant, which is described under CERTAIN TERMS OF THE REPLACEMENT CAPITAL COVENANT, on page S-31 that will limit our right to redeem, purchase or defease the Junior Subordinated Notes. In the Replacement Capital Covenant, we covenant for the benefit of holders of a designated series of our indebtedness that ranks senior to the Junior Subordinated Notes that we will not redeem, purchase or defease the Junior Subordinated Notes on or before June 15, 2034 (which date will be automatically extended for additional quarterly periods to no later than June 15, 2049, if and to the extent that the maturity date of the Junior Subordinated Notes is extended as provided in SPECIFIC TERMS OF THE JUNIOR SUBORDINATED NOTES Maturity on page S-24) unless, subject to certain limitations, during the 180 days prior to the date of that redemption, purchase or defeasance we have received proceeds from the sale of specified securities that have equity-like characteristics that are the same as, or more equity-like than, the applicable characteristics of the Junior Subordinated Notes at the time of redemption, purchase or defeasance.

Our ability to raise proceeds from the sale of securities that qualify under the Replacement Capital Covenant during the 180 days prior to a proposed redemption, purchase or defeasance will depend on, among other things, market conditions at such time as well as the acceptability to prospective investors of the terms of those securities. Accordingly, there could be circumstances where we would wish to redeem or purchase some or all of the Junior Subordinated Notes, including as a result of a Tax Event or a Rating Agency Event (each as defined on page S-29), and sufficient cash is available for that purpose, but we are restricted from doing so because we have not been able to obtain proceeds from the sale of securities that qualify under the Replacement Capital Covenant.

***The maturity of the Junior Subordinated Notes may be extended by us without the consent of the holders.*** The maturity date of the Junior Subordinated Notes is initially June 15, 2064 but may be extended automatically for up to five years without the consent of the holders. In addition, subject to the conditions provided under the SPECIFIC TERMS OF THE JUNIOR SUBORDINATED NOTES Maturity, the maturity date of the Junior

## **Table of Contents**

Subordinated Notes may be extended by us for up to an additional ten years to no later than June 15, 2079. You should not rely on receiving the principal amount of any Junior Subordinated Note on the initial maturity date.

***Rating agencies may change rating methodologies, including their views on notching practices. This may affect the market price of the Junior Subordinated Notes.*** The rating agencies that currently or may in the future publish a rating for us, including Moody's, Standard & Poor's, and Fitch, each of which is expected to initially publish a rating of the Junior Subordinated Notes, may, from time to time in the future, change the way they analyze securities with features similar to the Junior Subordinated Notes. This may include, for example, changes to the relationship between ratings assigned to an issuer's senior securities and ratings assigned to securities with features similar to the Junior Subordinated Notes, sometimes called notching. If the rating agencies change their practices for rating these types of securities in the future, and the ratings of the Junior Subordinated Notes are subsequently lowered, that could have a negative impact on the trading price of the Junior Subordinated Notes.

***You may have to pay taxes on interest before you receive cash from us.*** If we defer interest payments on the Junior Subordinated Notes for one or more Optional Deferral Periods, you will be required to accrue interest income for United States federal income tax purposes in respect of your proportionate share of the accrued but unpaid interest on the Junior Subordinated Notes, even if you normally report income when received. As a result, you will be required to include the accrued interest in your gross income for United States federal income tax purposes prior to your receiving any cash distribution. If you sell your Junior Subordinated Notes prior to the record date for the first interest payment after an Optional Deferral Period, you would never receive the cash from us related to the accrued interest that you reported for tax purposes. You should consult with your own tax advisor regarding the tax consequences of an investment in the Junior Subordinated Notes.

For more information regarding the tax consequences of purchasing the Junior Subordinated Notes, see below under the caption CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS on page S-34.

***The after-market price of the Junior Subordinated Notes may be discounted significantly if we defer interest payments.*** If we defer interest payments on the Junior Subordinated Notes, you may be unable to sell your Junior Subordinated Notes at a price that reflects the value of deferred amounts. To the extent a trading market develops for the Junior Subordinated Notes, that market may not continue during an Optional Deferral Period, or during periods in which investors perceive that there is a likelihood of a deferral, and you may be unable to sell Junior Subordinated Notes at those times, either at a price that reflects the value of required payments under the Junior Subordinated Notes or at all.

***An active after-market for the Junior Subordinated Notes may not develop.*** The Junior Subordinated Notes constitute a new issue of securities with no established trading market. While we plan to list the Junior Subordinated Notes on the New York Stock Exchange, we cannot assure you that an active after-market for the Junior Subordinated Notes will develop or be sustained or that holders of the Junior Subordinated Notes will be able to sell their Junior Subordinated Notes at favorable prices or at all. Although the underwriters have indicated to us that they intend to make a market in the Junior Subordinated Notes, as permitted by applicable laws and regulations, they are not obligated to do so and may discontinue any such market-making at any time without notice. Accordingly, no assurance can be given as to the liquidity of, or trading markets for, the Junior Subordinated Notes.

## **Risks Related to Our Business**

***Our results of operations can be affected by changes in the weather.*** Weather conditions directly influence the demand for electricity and natural gas, and affect the price of energy commodities. In addition, severe weather, including hurricanes and winter storms, can be destructive, causing outages and property damage that require us to incur additional expenses. Additionally, droughts can result in reduced water levels that could adversely affect operations at some of our power stations.



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**Table of Contents**

***We are subject to complex governmental regulation that could adversely affect our operations.*** Our operations are subject to extensive federal, state and local regulation and require numerous permits, approvals and certificates from various governmental agencies. We must also comply with environmental legislation and associated regulations. Management believes that the necessary approvals have been obtained for our existing operations and that our business is conducted in accordance with applicable laws. However, new laws or regulations, the revision or reinterpretation of existing laws or regulations, or penalties imposed for non-compliance with existing laws or regulations may require us to incur additional expenses.

***We could be subject to penalties as a result of mandatory reliability standards.*** As a result of the Energy Policy Act of 2005, owners and operators of bulk power transmission systems, including Dominion, are subject to mandatory reliability standards enacted by the North American Electric Reliability Corporation and enforced by the Federal Energy Regulatory Commission (FERC). If we are found not to be in compliance with the mandatory reliability standards we could be subject to sanctions, including substantial monetary penalties.

***Our costs of compliance with environmental laws are significant, and the cost of compliance with future environmental laws could adversely affect our cash flow and profitability.*** Our operations are subject to extensive federal, state and local environmental statutes, rules and regulations relating to air quality, water quality, waste management, natural resources, and health and safety. Compliance with these legal requirements requires us to commit significant capital toward permitting, emission fees, environmental monitoring, installation and operation of pollution control equipment and purchase of allowances and/or offsets. Additionally, we could be responsible for expenses relating to remediation and containment obligations, including at sites where we have been identified by a regulatory agency as a potentially responsible party. Our expenditures relating to environmental compliance have been significant in the past, and we expect that they will remain significant in the future. Costs of compliance with environmental regulations could adversely affect our results of operations and financial condition, especially if emission and/or discharge limits are tightened, more extensive permitting requirements are imposed, additional substances become regulated and the number and types of assets we operate increases. We cannot estimate our compliance costs with certainty due to our inability to predict the requirements and timing of implementation of any new environmental rules or regulations related to emissions. Other factors which affect our ability to predict our future environmental expenditures with certainty include the difficulty in estimating clean-up costs and quantifying liabilities under environmental laws that impose joint and several liability on all responsible parties.

***If federal and/or state requirements are imposed on energy companies mandating further emission reductions, including limitations on carbon dioxide (CO<sub>2</sub>) emissions, such requirements could make some of our electric generating units uneconomical to maintain or operate.*** Environmental advocacy groups, other organizations and some agencies are focusing considerable attention on CO<sub>2</sub> emissions from power generation facilities and their potential role in climate change. We expect that federal legislation, and possibly additional state legislation, may pass resulting in the imposition of limitations on GHG emissions from fossil fuel-fired electric generating units. Such limits could make certain of our electric generating units uneconomical to operate in the long term, unless there are significant advancements in the commercial availability and cost of carbon capture and storage technology. There are also potential impacts on our natural gas businesses as federal GHG legislation may require GHG emission reduction requirements from the natural gas sector. Several regions of the U.S. have moved forward with GHG emission regulations including regions where we have operations. For example, Massachusetts has implemented regulations requiring reductions in CO<sub>2</sub> emissions and the Regional Greenhouse Gas Initiative, a cap and trade program covering CO<sub>2</sub> emissions from power plants in the Northeast, affects several of our facilities. In addition, a number of bills have been introduced in Congress that would require GHG emissions reductions from fossil fuel-fired electric generation facilities, natural gas facilities and other sectors of the economy, although none have yet been enacted. Compliance with these GHG emission reduction requirements may require us to commit significant capital toward carbon capture and storage technology, purchase of allowances and/or offsets, fuel switching, and/or retirement of high-emitting generation facilities and potential replacement with lower emitting generation facilities. The cost of compliance with expected GHG emission legislation is subject to significant uncertainties due to the outcome of several

## **Table of Contents**

interrelated assumptions and variables, including timing of the implementation of rules, required levels of reductions, allocation requirements of the new rules, the maturation and commercialization of carbon capture and storage technology and associated regulations, and our selected compliance alternatives. As a result, we cannot estimate the effect of any such legislation on our results of operations, financial condition or our customers.

***The base rates of our Virginia electric utility are subject to regulatory review.*** As a result of the Virginia Electric Utility Restructuring Act (the Regulation Act), commencing in 2009 the base rates of our electric utility company will be reviewed by the Virginia State Corporation Commission (Virginia Commission) under a modified cost-of-service model. Such rates will be set based on analyses of our electric utility's costs and capital structure, as reviewed and approved in regulatory proceedings. Under the Regulation Act, the Virginia Commission may, in a proceeding conducted in 2009, reduce rates or order a credit to customers if our electric utility company is deemed to be earning more than 50 basis points above a return on equity (ROE) level to be established by the Virginia Commission in that proceeding. After the initial rate case, the Virginia Commission will review the base rates of our electric utility company biennially and may order a credit to customers if it is deemed to have earned an ROE more than 50 basis points above an ROE level established by the Virginia Commission and may reduce rates if our electric utility company is found to have had earnings in excess of the established ROE level during two consecutive biennial review periods.

***Delays in the recovery of fuel costs at our regulated electric utility could negatively affect our electric utility's cash flow, which could adversely affect our results of operations.*** Our regulated electric utility has a statutory right to recover from customers all prudently incurred fuel costs through fuel factors which have been implemented in our Virginia and North Carolina jurisdictions. However, as a result of increasing fuel costs and a statutory limitation on the amount of fuel recovery that could be collected from Virginia jurisdictional customers in the July 1, 2007 through June 30, 2008 fuel factor period, our electric utility has deferred a significant amount of fuel costs. Deferred recovery of fuel costs could have a negative impact on the cash flow of our electric utility. The recent fluctuations in fuel prices may make it difficult to accurately predict fuel costs. In the future, if actual fuel costs incurred during the fuel factor period exceed the estimate of costs which the Virginia Commission has approved for recovery in that period, we will not have authority to recover the excess costs through fuel rates until the following year when a new factor is determined. To the extent that such deferrals occur, the resulting delays in the current recovery of fuel costs could negatively impact the cash flow of our electric utility, which could adversely affect our results of operations.

***The rates of our electric and gas transmission operations are subject to regulatory review.*** Revenue provided by our electric and gas transmission operations is based primarily on rates approved by FERC. The profitability of these businesses is dependent on their ability, through the rates that they are permitted to charge, to recover costs and earn a reasonable rate of return on their capital investment.

Our wholesale charges for electric transmission service are adjusted on an annual basis through operation of a FERC-approved formula rate mechanism. Through this mechanism our wholesale electric transmission cost of service is estimated and thereafter true-up as appropriate to reflect actual costs allocated to the Company by PJM Interconnection, LLC (PJM). These wholesale rates are subject to FERC review and prospective adjustment in the event that customers and/or interested state commissions file a complaint with FERC and are able to demonstrate that our wholesale revenue requirement is no longer just and reasonable.

Similarly, various rates and charges assessed by our gas transmission businesses are subject to review by FERC. We are required to file a general base rate review for the FERC-jurisdictional services of Cove Point, effective not later than July 31, 2011. At that time, Cove Point's cost of service will be reviewed by the FERC, with rates set based on analyses of the company's costs and capital structure. The FERC-jurisdictional rates for Dominion Transmission, Inc. (DTI) are the subject of a 2005 FERC-approved settlement. That settlement established a rate moratorium that continues in effect through June 30, 2010.

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**Table of Contents**

***Energy conservation could negatively impact our financial results.*** Certain regulatory and legislative bodies have introduced or are considering requirements and/or incentives to reduce energy consumption by a fixed date. To the extent conservation resulted in reduced energy demand or significantly slowed the growth in demand, the value of our merchant generation, exploration & production (E&P) assets and other unregulated business activities could be adversely impacted. In our regulated operations, conservation could negatively impact Dominion depending on the regulatory treatment of the associated impacts. Should we be required to invest in conservation measures that resulted in reduced sales from effective conservation, regulatory lag in adjusting rates for the impact of these measures could have a negative financial impact. We are unable to determine what impact, if any, conservation will have on our financial condition or results of operations.

***Our merchant power business is operating in a challenging market, which could adversely affect our results of operations and future growth.*** The success of our merchant power business depends upon favorable market conditions including our ability to purchase and sell power at prices sufficient to cover our operating costs. We operate in active wholesale markets that expose us to price volatility for electricity and fuel as well as the credit risk of counterparties. We attempt to manage our price risk by entering into hedging transactions, including short-term and long-term fixed price sales and purchase contracts.

In these wholesale markets, the spot market price of electricity for each hour is generally determined by the cost of supplying the next unit of electricity to the market during that hour. In many cases, the next unit of electricity supplied would be provided by generating stations that consume fossil fuels, primarily natural gas. Consequently the open market wholesale price for electricity generally reflects the cost of natural gas plus the cost to convert the fuel to electricity. Therefore changes in the price of natural gas generally affect the open market wholesale price of electricity. To the extent we do not enter into long-term power purchase agreements or otherwise hedge our output, then these changes in market prices could adversely affect our financial results.

In addition, we purchase fuel under a variety of terms, including long-term and short-term contracts and spot market purchases. We are exposed to fuel cost volatility for the portion of our fuel obtained through short-term contracts or on the spot market. Fuel prices can be volatile and the price that can be obtained for power produced from such fuel may not change at the same rate as fuel costs, thus adversely impacting our financial results.

Lastly, we are exposed to credit risks of our counterparties and the risk that one or more counterparties may fail to perform under their obligations to make payments. Defaults by suppliers or other counterparties may adversely affect our financial results.

***Our merchant power business may be negatively affected by possible FERC actions that could weaken competition in the wholesale markets or affect pricing rules in the RTO markets.*** Our merchant generation stations operating in PJM and The New England Power Pool (NEPOOL) sell capacity, energy and ancillary services into wholesale electricity markets regulated by FERC. The wholesale markets allow these merchant generation stations to take advantage of market price opportunities, but also exposes them to market risk. Properly functioning competitive wholesale markets in PJM and NEPOOL depend upon FERC's continuation of clearly identified market rules. From time to time FERC may investigate and authorize PJM and NEPOOL to make changes in market design. FERC also periodically reviews our authority to sell at market-based rates. Material changes by FERC to the design of the wholesale markets or our authority to sell power at market-based rates could adversely impact the future results of our merchant power business.

***Our operations could be affected by terrorist activities and catastrophic events that could result from terrorism.*** In the event that our generating facilities or other infrastructure assets are subject to potential terrorist activities, such activities could significantly impair our operations and result in a decrease in revenues and additional costs to repair and insure our assets, which could have a material adverse effect on Dominion's business. The effects of potential terrorist activities could also include the risk of a significant decline in the U.S. economy, and the decreased availability and increased cost of insurance coverage, any of which effects could negatively impact our operations and financial condition.

## **Table of Contents**

We have incurred increased capital and operating expenses and may incur further costs for enhanced security in response to such risks.

***There are risks associated with the operation of nuclear facilities.*** We operate nuclear facilities that are subject to risks, including our ability to dispose of spent nuclear fuel, the disposal of which is subject to complex federal and state regulatory constraints. These risks also include the cost of and our ability to maintain adequate reserves for decommissioning, costs of replacement power, costs of plant maintenance and exposure to potential liabilities arising out of the operation of these facilities. We maintain decommissioning trusts and external insurance coverage to mitigate the financial exposure to these risks. However, it is possible that decommissioning costs could exceed the amount in our trusts or that costs arising from claims could exceed the amount of any insurance coverage.

***The use of derivative instruments could result in financial losses and liquidity constraints.*** We use derivative instruments, including futures, swaps, forwards, options and financial transmission rights (FTRs) to manage our commodity and financial market risks. In addition, we purchase and sell commodity-based contracts primarily in the natural gas market for trading purposes. We could recognize financial losses on these contracts as a result of volatility in the market values of the underlying commodities or if a counterparty fails to perform under a contract. In the absence of actively-quoted market prices and pricing information from external sources, the valuation of these contracts involves management's judgment or use of estimates. As a result, changes in the underlying assumptions or use of alternative valuation methods could affect the reported fair value of these contracts.

In addition, we use derivatives to hedge our electric and gas operations. The use of such derivatives to hedge future electric and gas sales may limit the benefit we would otherwise receive from increases in commodity prices. These hedge arrangements generally include collateral requirements that require us to deposit funds or post letters of credit with counterparties to cover the fair value of covered contracts in excess of agreed upon credit limits. For instance, when commodity prices rise to levels substantially higher than the levels where we have hedged future sales, we may be required to use a material portion of our available liquidity or obtain additional liquidity to cover these collateral requirements. In some circumstances, this could have a compounding effect on our financial liquidity and results of operations.

Derivatives designated under hedge accounting to the extent not fully offset by the hedged transaction can result in ineffectiveness losses. These losses primarily result from differences in the location and specifications of the derivative hedging instrument and the hedged item and could adversely affect our results of operations.

Our operations in regards to these transactions are subject to multiple market risks including market liquidity, counterparty credit strength and price volatility. These market risks are beyond our control and could adversely affect our results of operations and future growth.

***Our E&P business is affected by factors that cannot be predicted or controlled and that could damage facilities, disrupt production or reduce the book value of our assets.*** Factors that may affect our financial results include, but are not limited to: damage to or suspension of operations caused by weather, fire, explosion or other events at our or third-party gas and oil facilities, fluctuations in natural gas and crude oil prices, results of future drilling and well completion activities, our ability to acquire additional land positions in competitive lease areas, drilling cost pressures, operational risks that could disrupt production, drilling rig availability and geological and other uncertainties inherent in the estimate of gas and oil reserves.

Short-term market declines in the prices of natural gas and oil could adversely affect our financial results by causing a permanent write-down of our natural gas and oil properties as required by the full cost method of accounting. Under the full cost method, all direct costs of property acquisition, exploration and development activities are capitalized. If net capitalized costs exceed the present value of estimated future net revenues based on hedge-adjusted period-end prices from the production of proved gas and oil reserves (the ceiling test) at the end of any quarterly period, then a permanent write-down of the assets must be recognized in that period.

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**Table of Contents**

***We may not complete plant construction or expansion projects that we commence, or we may complete projects on materially different terms or timing than initially anticipated and we may not be able to achieve the intended benefits of any such project, if completed.*** We have announced several plant construction and expansion projects and may consider additional projects in the future. We anticipate that we will be required to seek additional financing in the future to fund our current and future plant construction and expansion projects and we may not be able to secure such financing on favorable terms. In addition, we may not be able to complete the projects on time as a result of weather conditions, delays in obtaining or failure to obtain regulatory approvals, delays in obtaining key materials, labor difficulties, difficulties with partners or potential partners, a decline in the credit strength of our counterparties or vendors, or other factors beyond our control. With respect to our liquefied natural gas and gas transmission pipeline operations, if we do not meet designated schedules for approval and construction of our plant and expansion projects, certain of our customers may have the right to terminate their precedent agreements relating to the expansion projects. Certain of our customers may also have the right to receive liquidated damages. Even if plant construction and expansion projects are completed, the total costs of the projects may be higher than anticipated and the performance of our business following the projects may not meet expectations. Additionally, regulators may disallow recovery of some of the costs of a project if they are deemed not to be prudently incurred. Further, we may not be able to timely and effectively integrate the projects into our operations and such integration may result in unforeseen operating difficulties or unanticipated costs. Any of these or other factors could adversely affect our ability to realize the anticipated benefits from the plant construction and expansion projects.

***An inability to access financial markets could affect the execution of our business plan.*** Dominion and our subsidiary, Virginia Electric and Power Company, rely on access to short-term money markets, longer-term capital markets and banks as significant sources of funding and liquidity for capital expenditures, normal working capital and collateral requirements related to hedges of future sales and purchases of energy-related commodities primarily associated with our merchant generation and gas and oil production. Management believes that Dominion and Virginia Electric and Power Company will maintain sufficient access to these financial markets based upon our current credit ratings and market reputation. However, certain disruptions outside of our control may increase our cost of borrowing or restrict our ability to access one or more financial markets. Such disruptions could include a continuation of the current economic downturn, the bankruptcy of an unrelated company, general market disruption due to general credit market or political events, changes to our credit ratings or the failure of financial institutions on which we rely. Restrictions on our ability to access financial markets may affect our ability to execute our business plan as scheduled.

***Market performance and other changes may decrease the value of decommissioning trust funds and benefit plan assets or increase our liabilities, which then could require significant additional funding.*** The performance of the capital markets affects the value of the assets that are held in trust to satisfy future obligations to decommission our nuclear plants and under our pension and postretirement benefit plans. We have significant obligations in these areas and hold significant assets in these trusts. These assets are subject to market fluctuation and will yield uncertain returns, which may fall below our expected return rates. A decline in the market value of the assets may increase the funding requirements of the obligations to decommission our nuclear plants and under our pension and postretirement benefit plans. Additionally, changes in interest rates affect the liabilities under our pension and postretirement benefit plans; as interest rates decrease, the liabilities increase, potentially requiring additional funding. Further, changes in demographics, including increased numbers of retirements or changes in life expectancy assumptions, may also increase the funding requirements of the obligations related to the pension benefit plans. If the decommissioning trust funds and benefit plan assets are not successfully managed, our results of operations and financial condition could be negatively affected.

***Changing rating agency requirements could negatively affect our growth and business strategy.*** As of May 31, 2009, Dominion's senior unsecured debt is rated A-, stable outlook, by Standard & Poor's; Baa2, stable outlook, by Moody's; and BBB+, stable outlook, by Fitch. In order to maintain our current credit ratings in light of existing or future requirements, we may find it necessary to take steps or change our business plans in ways that may adversely affect our growth and earnings per share. A reduction in Dominion's credit ratings or the

## **Table of Contents**

credit ratings of our Virginia Electric and Power Company subsidiary by Standard & Poor's, Moody's or Fitch could increase our borrowing costs and adversely affect operating results and could require us to post additional collateral in connection with some of our price risk management activities.

***Potential changes in accounting practices may adversely affect our financial results.*** We cannot predict the impact that future changes in accounting standards or practices may have on public companies in general, the energy industry or our operations specifically. New accounting standards could be issued that could change the way we record revenues, expenses, assets and liabilities. These changes in accounting standards could adversely affect our reported earnings or could increase reported liabilities.

***Failure to retain and attract key executive officers and other skilled professional and technical employees could have an adverse effect on our operations.*** Our business strategy is dependent on our ability to recruit, retain and motivate employees. Competition for skilled employees in some areas is high and the inability to retain and attract these employees could adversely affect our business and future operating results.

## **DOMINION**

Dominion, headquartered in Richmond, Virginia, is one of the nation's largest producers and transporters of energy. Dominion also operates the nation's largest natural gas storage network and serves retail energy customers in 12 states. As of March 31, 2009, we had approximately \$41.7 billion in assets.

We currently manage our operations through three primary business segments that are designed to streamline operations and position us for long-term growth in the competitive energy marketplace by focusing on our electric and gas products and services. They are:

***Dominion Energy*** Dominion Energy manages our 14,000 miles of natural gas transmission, gathering and storage pipeline, and a 942 billion cubic foot natural gas storage network. This business segment includes our Ohio regulated natural gas distribution operations that serve approximately 1.2 million residential, commercial and industrial gas sales and transportation customers. Dominion Energy also operates our Cove Point, Maryland liquefied natural gas import and storage facility. In addition, it oversees our natural gas production located in the Appalachian Basin and producer services, which aggregates natural gas supply, engages in natural gas trading and marketing activities, provides market-based services related to fuel and natural gas supply management, and supplies price risk management services to Dominion affiliates.

***Dominion Generation*** Dominion Generation manages our approximately 27,000 megawatt portfolio of merchant and regulated utility electric power generation and guides our generation growth strategy and energy trading and marketing activities associated with our generation assets. The generation mix is diversified and includes coal, nuclear, gas, oil, renewables and purchased power. Our electric generation operations currently focus on serving customers in the energy intensive Northeast, Mid-Atlantic and Midwest regions of the United States. Our generation facilities are located in Connecticut, Illinois, Indiana, Massachusetts, North Carolina, Pennsylvania, Rhode Island, Virginia, West Virginia and Wisconsin.

***Dominion Virginia Power*** Dominion Virginia Power manages our regulated electric distribution and electric transmission operations in Virginia and northeastern North Carolina as well as our nonregulated retail energy marketing and regulated and nonregulated customer service operations. Our regulated electric distribution operations serve approximately 2.4 million residential, commercial, industrial and governmental customer accounts in Virginia and northeastern North Carolina, and our nonregulated retail energy marketing operations serve approximately 1.7 million customer accounts in the Northeast, Mid-Atlantic, South and Midwest.

## **Table of Contents**

### **Principal Subsidiaries**

Our principal direct, legal subsidiaries include Virginia Electric and Power Company, a regulated public utility that generates, transmits and distributes electricity for sale in Virginia and northeastern North Carolina, Dominion Energy, Inc., which is involved in merchant generation, energy marketing and risk management activities and natural gas exploration and production in the Appalachian basin of the U.S., DTI, which operates a regulated interstate natural gas transmission pipeline and underground storage system in the Northeast, mid-Atlantic and Midwest states and is engaged in the production, gathering and extraction of natural gas in the Appalachian basin, Virginia Power Energy Marketing, Inc., which provides fuel, natural gas supply management and risk management services to other Dominion affiliates and engages in energy trading activities, Dominion Exploration & Production, Inc., which explores for, develops and produces natural gas and oil in the Appalachian basin of the U.S., Dominion Field Services, Inc., which is involved in the gathering and aggregation of Appalachian natural gas supply and provides various marketing-related services to its customers, Dominion Retail, Inc., which provides energy and energy related services to 1.7 million customers in 12 states, including electricity customers in Texas, Pennsylvania, Massachusetts, Connecticut, Ohio, Maine, New York and Maryland, Dominion Resources Services, Inc. which provides accounting, legal, finance and certain administrative and technical services to our subsidiaries, and The East Ohio Gas Company, our Ohio regulated natural gas distribution subsidiary.

For more information about us, see WHERE YOU CAN FIND MORE INFORMATION on page S-4.

### **USE OF PROCEEDS**

We intend to use the net proceeds from the sale of the Junior Subordinated Notes for general corporate purposes.

**Table of Contents****CAPITALIZATION**

The table below shows our unaudited capitalization on a consolidated basis as of March 31, 2009. The As Adjusted column reflects our capitalization after giving effect to this offering and the intended use of the net proceeds from this offering. You should read this table along with our audited financial statements contained in our Annual Report on Form 10-K for the year ended December 31, 2008, as well as the unaudited information presented in our most recent Quarterly Report on Form 10-Q. See WHERE YOU CAN FIND MORE INFORMATION on page S-4 and USE OF PROCEEDS on page S-21.

	(unaudited) March 31, 2009 (in millions)	
	Actual	As Adjusted <sup>(1)</sup>
Short-term debt <sup>(2)</sup>	\$ 2,063	\$ 2,063
Long-term debt:		
Senior Notes and the other long-term debt	13,833	13,833
Junior Subordinated Debentures payable to affiliated trusts	268	268
Junior Subordinated Notes	798	
Total long-term debt <sup>(3)(4)</sup>	14,899	
Subsidiary preferred stock not subject to mandatory redemption <sup>(5)</sup>	257	257
Total common shareholders' equity	10,709	10,709
<b>Total capitalization</b>	<b>\$ 27,928</b>	<b>\$</b>

(1) To give effect to the issuance of the Junior Subordinated Notes offered by this prospectus supplement (assuming no exercise of the over-allotment option).

(2) Includes securities due within one year, which includes a \$8 million deferred gain on fair value hedges.

(3) Includes a \$6 million deferred gain on fair value hedges.

(4) Includes the effect of unamortized discount (\$(52) million) net of unamortized premium (\$17 million).

(5) Includes the effect of preferred stock issuance expenses (\$(2) million).



**Table of Contents****RATIO OF EARNINGS TO FIXED CHARGES**

For purposes of this ratio, earnings are determined by adding distributed income of equity investees and fixed charges (excluding interest capitalized) to income before income taxes and minority interest after eliminating the equity in earnings or losses of equity investees. These earnings are then divided by total fixed charges. Fixed charges consist of interest charges (without reduction for Allowance for Funds Used During Construction) on long-term and short-term debt, interest capitalized, the portion of rental expense that is representative of the interest factor and preferred stock dividends of consolidated subsidiaries (grossed-up by a factor of pre-tax net income divided by net income).

The ratio of earnings to fixed charges for each of the periods indicated is as follows:

3 Months Ended March 31, 2009 <sup>1</sup>	12 Months Ended March 31, 2009 <sup>2</sup>	Years Ended December 31,				
		2008 <sup>3</sup>	2007 <sup>4</sup>	2006 <sup>5</sup>	2005 <sup>6</sup>	2004 <sup>7</sup>
2.56	3.19	3.63	4.28	2.81	2.34	2.83

- (1) Earnings for the three months ended March 31, 2009 include a \$455 million impairment charge as a result of the quarterly ceiling test performed on our gas and oil properties under the full cost method accounting, an \$83 million net loss related to our investments in nuclear decommissioning trust funds, a \$23 million impairment charge related to an equity method investment, and \$2 million of charges related to other items
- (2) Earnings for the twelve months ended March 31, 2009 include a \$455 million impairment charge as a result of the quarterly ceiling test performed on our gas and oil properties under the full cost method of accounting, a \$236 million net loss related to our investments in nuclear decommissioning trust funds, a \$42 million reduction in the gain recognized in 2007 from the sale of the majority of our U.S. E&P businesses as a result of post-closing adjustments, a \$23 million impairment charge related to an equity method investment, and a \$32 million net charge related to other items. Earnings for the period also include a \$47 million benefit related to the planned sale of two natural gas distribution utilities, Peoples and Hope. Excluding these items from the calculation would result in a higher ratio of earnings to fixed charges for the twelve months ended March 31, 2009.
- (3) Earnings for the twelve months ended December 31, 2008 include \$180 million of impairment charges reflecting other-than-temporary declines in the fair value of securities held in nuclear decommissioning trust funds, \$59 million of impairment charges related to Dominion Capital, Inc. (DCI) assets, a \$42 million reduction in the gain recognized in 2007 from the sale of the majority of our U.S. E&P businesses as a result of post-closing adjustments, and a \$29 million net charge related to other items. Earnings for the period also include a \$47 million benefit related to the planned sale of two natural gas distribution utilities, Peoples and Hope. Excluding these items from the calculation would result in a higher ratio of earnings to fixed charges for the twelve months ended December 31, 2008
- (4) Earnings for the twelve months ended December 31, 2007 include a \$3.6 billion gain from the disposition of the majority of our U.S. E&P operations, partially offset by \$1 billion of charges related to the disposition which are comprised of \$541 million related to the discontinuance of hedge accounting for certain gas and oil derivatives and subsequent changes in the fair value of these derivatives, \$171 million primarily related to the settlement of volumetric production payment agreements, \$242 million of charges related to the early retirement of debt, and \$91 million of employee-related expenses. Earnings for the period also include a \$387 million charge related to the impairment of the partially-completed Dresden generation facility; a \$231 million charge due to the termination of a power sales agreement at our State Line generating facility; \$88 million of impairment charges related to DCI assets; \$48 million of charges related to litigation reserves, and \$70 million of charges related to other items. Fixed charges for the twelve months ended December 31, 2007 include \$234 million of costs related to the early retirement of debt associated with our debt tender offer completed in July 2007. Excluding these items from the calculation would result in a lower ratio of earnings to fixed charges for the twelve months ended December 31, 2007.
- (5) Earnings for the twelve months ended December 31, 2006 include \$189 million of charges related to the planned sale of two natural gas distribution utilities, Peoples and Hope, including \$166 million resulting from the write-off of certain regulatory assets, \$90 million of impairment charges related to DCI assets, a \$27 million charge resulting from the termination of a pipeline project in West Virginia, a \$26 million impairment charge resulting from a change in method of assessing other-than-temporary decline in the fair value of certain securities, \$17 million of incremental charges related to hurricanes Katrina and Rita, and \$9 million of net charges related to other items. Fixed charges for the twelve months ended December 31, 2006 include a \$60 million charge due to an adjustment eliminating the application of hedge accounting related to certain interest rate swaps associated with our junior subordinated notes payable to affiliated trusts. Excluding these items from the calculation would result in a higher ratio of earnings to fixed charges for the twelve months ended December 31, 2006.
- (6) Earnings for the twelve months ended December 31, 2005 include a \$423 million charge reflecting the de-designation of hedge contracts resulting from the delay of natural gas and oil production following Hurricanes Katrina and Rita, \$73 million in charges resulting from the termination of certain long-term power purchase contracts, \$21 million in net charges related to trading activities discontinued in 2004, including the Batesville long-term power-tolling contract divested in the second quarter of 2005 and other activities, \$35 million of impairment charges related to DCI assets, a \$76 million charge related to miscellaneous asset impairments, a \$28 million charge related to expenses following Hurricanes Katrina and Rita and \$5 million of charges related to other items. Excluding these items from the calculation would result in a higher ratio of earnings to fixed charges for the twelve months ended December 31, 2005.
- (7) Earnings for the twelve months ended December 31, 2004 include \$76 million of impairment charges related to Dominion's investment in and planned divestiture of DCI, a \$23 million benefit associated with the disposition of certain assets held for sale, an \$18 million benefit from the reduction of accrued expenses associated with Hurricane Isabel restoration activities, \$96 million of losses related to the discontinuance of hedge accounting for certain oil hedges and subsequent changes in the fair value of those hedges during the third quarter following Hurricane Ivan, \$71 million in charges resulting from the termination of certain long-term power purchase contracts, a \$184 million charge related to the Batesville long-term power-tolling contract divested in the

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second quarter of 2005, and \$22 million of charges related to net legal settlements and other items. Excluding these items from the calculation would result in a higher ratio of earnings to fixed charges for the twelve months ended December 31, 2004.

S-23

**Table of Contents**

**SPECIFIC TERMS OF THE JUNIOR SUBORDINATED NOTES**

Set forth below is a description of the specific terms of the Junior Subordinated Notes. This description supplements, and should be read together with, the description of the general terms and provisions of the Junior Subordinated Notes set forth in the accompanying base prospectus under the captions DESCRIPTION OF DEBT SECURITIES and ADDITIONAL TERMS OF THE JUNIOR SUBORDINATED NOTES and, to the extent it is inconsistent with the accompanying base prospectus, replaces the description in the accompanying base prospectus. The Junior Subordinated Notes will be issued under our Subordinated Indenture II. The following description is not complete in every detail and is subject to, and is qualified in its entirety by reference to, the description of the Junior Subordinated Notes in the accompanying base prospectus, the Subordinated Indenture II and the Third Supplemental and Amending Indenture. Capitalized terms used in this SPECIFIC TERMS OF THE JUNIOR SUBORDINATED NOTES that are not defined in this prospectus supplement have the meanings given to them in the accompanying base prospectus, the Subordinated Indenture II or the Third Supplemental and Amending Indenture, as applicable. In this SPECIFIC TERMS OF THE JUNIOR SUBORDINATED NOTES section, references to Dominion, we, us and our mean Dominion Resources, Inc., excluding any of its subsidiaries unless otherwise expressly stated or the context otherwise requires.

We are offering \$ \_\_\_\_\_ aggregate principal amount of the Junior Subordinated Notes. The Junior Subordinated Notes will be issued in denominations of \$25 and integral multiples of \$25. In addition, we have granted the underwriters an option to purchase up to an additional \$ \_\_\_\_\_ in principal amount of the Junior Subordinated Notes for three business days after June \_\_\_\_\_, 2009 in order to cover over-allotments, if any.

All of the Junior Subordinated Notes need not be issued at the same time, and the series may be re-opened for issuances of additional Junior Subordinated Notes of the series. This means that we may from time to time, without notice to, or the consent of, the existing holders of the Junior Subordinated Notes, create and issue additional Junior Subordinated Notes. Such additional Junior Subordinated Notes will have the same terms as the Junior Subordinated Notes in all respects (except for the payment of interest accruing prior to the issue date of the additional Junior Subordinated Notes or except for the first payments of interest following the issue date of the additional Junior Subordinated Notes) so that the additional Junior Subordinated Notes may be consolidated and form a single series with the Junior Subordinated Notes.

**Maturity**

The maturity date of the Junior Subordinated Notes initially will be June 15, 2064, but will be automatically extended, except for any portion of the principal amount of the Junior Subordinated Notes that shall have been earlier redeemed or with respect to which notice of redemption shall have been given to the holders of such Junior Subordinated Notes, for additional quarterly periods on each of March 15, June 15, September 15 and December 15, beginning on June 15, 2014 through and including March 15, 2019, without notice to, or the consent of, the holders of the Junior Subordinated Notes. Subject to the conditions described below, the maturity date will be further extended for additional quarterly periods beginning on June 15, 2019 through and including March 15, 2029, except for any portion of the principal amount of the Junior Subordinated Notes that shall have been earlier redeemed or with respect to which notice of redemption shall have been given to the holders of such Junior Subordinated Notes. For example, a Junior Subordinated Note which has not been redeemed or called for redemption on or before June 15, 2014, will have its final maturity extended by one quarter to September 15, 2064. The final maturity date of the Junior Subordinated Notes will be no later than June 15, 2079, on which date the entire principal amount of the Junior Subordinated Notes will become due and payable, together with any accrued and unpaid interest. The Junior Subordinated Notes are not subject to any sinking fund provision.

With respect to each extension beginning on June 15, 2019, the following will constitute the extension conditions:

on the applicable extension date the ratings on the Junior Subordinated Notes satisfy at least two of the three following ratings criteria: (i) at least Baa3 by Moody's, (ii) at least BBB- by Standard & Poor's, and (iii) at least BBB- by Fitch, or, if Moody's, Standard & Poor's and/or Fitch (or their respective successors) are no longer in existence, the equivalent rating by a nationally recognized statistical rating organization; and

## **Table of Contents**

during the three years prior to the applicable extension date:

- i no event of default has occurred in respect of any of our then outstanding indebtedness for money borrowed; and
- i we did not have (and do not have at the extension date) any outstanding deferred payments under any of our then-outstanding preferred stock or debt securities.

## **Ranking**

The Junior Subordinated Notes are our direct, unsecured and subordinate obligations, and will rank junior in right of payment, to the extent set forth in the Subordinated Indenture II, to all Priority Indebtedness as defined below. If:

we make a payment or distribution of any of our assets to creditors upon our dissolution, winding-up, liquidation or reorganization, whether in bankruptcy, insolvency or otherwise;

a default beyond any grace period has occurred and is continuing with respect to the payment of principal, interest or any other monetary amounts due and payable on any Priority Indebtedness; or

the maturity of any Priority Indebtedness has been accelerated because of a default on that Priority Indebtedness, then the holders of Priority Indebtedness generally will have the right to receive payment, in the first instance above, of all amounts due or to become due upon that Priority Indebtedness, and, in the second and third instances above, of all amounts due on that Priority Indebtedness, or we will make provision for those payments, in each instance above before the holders of any Junior Subordinated Notes have the right to receive any payments of principal or interest on their Junior Subordinated Notes.

Priority Indebtedness means, with respect to the Junior Subordinated Notes, the principal, premium, interest and any other payment in respect of any of the following:

all of our current and future indebtedness for borrowed or purchase money whether or not evidenced by notes, debentures, bonds or other similar written instruments;

our obligations under synthetic leases, finance leases and capitalized leases;

our obligations for reimbursement under letters of credit, banker's acceptances, security purchase facilities or similar facilities issued for our account;

any of our other indebtedness or obligations with respect to derivative contracts, including commodity contracts, interest rate, commodity and currency swap agreements, forward contracts and other similar agreements or arrangements; and

all indebtedness of others of the kinds described in the preceding categories which we have assumed or guaranteed, other than obligations ranking on a parity with the Junior Subordinated Notes or ranking junior to the Junior Subordinated Notes.

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Priority Indebtedness will not include the Parity Junior Subordinated Notes (as defined below), trade accounts payable, accrued liabilities arising in the ordinary course of business, indebtedness to our subsidiaries or indebtedness evidenced by other junior subordinated notes issued under the Subordinated Indenture II.

Parity Junior Subordinated Notes mean the \$500 million aggregate principal amount of junior subordinate notes issued by us under our Subordinated Indenture II in September 2006 and the \$300 million aggregate principal amount of junior subordinated notes issued by us under our Subordinated Indenture II in June 2006.

S-25

## **Table of Contents**

Priority Indebtedness will be entitled to the benefits of the subordination provisions in the Subordinated Indenture II irrespective of the amendment, modification or waiver of any term of the Priority Indebtedness. We may not amend the Subordinated Indenture II or the Junior Subordinated Notes to change the subordination of any outstanding Priority Indebtedness without the consent of each holder of Priority Indebtedness that the amendment would adversely affect.

As of March 31, 2009, we had approximately \$8.2 billion principal amount of outstanding long-term debt, on an unconsolidated basis (including Junior Subordinated Debentures and securities due within one year) that will be senior to the Junior Subordinated Notes.

Because we are a holding company and conduct all of our operations through our subsidiaries, our ability to meet our obligations under the Junior Subordinated Notes is dependent on the earnings and cash flows of those subsidiaries and the ability of those subsidiaries to pay dividends or to advance or repay funds to us. Holders of Junior Subordinated Notes will generally have a junior position to claims of creditors of our subsidiaries, including trade creditors, debtholders, secured creditors, taxing authorities, guarantee holders and any preferred stockholders. As of March 31, 2009, our subsidiary Virginia Electric and Power Company had approximately 2.59 million issued and outstanding shares of preferred stock with an aggregate liquidation preference of \$259 million. Additionally, as of March 31, 2009, our subsidiaries had approximately \$6.4 billion principal amount of outstanding long-term debt (including securities due within one year).

Neither our Subordinated Indenture II nor the Junior Subordinated Notes contain restrictions on the amount of additional indebtedness that we or our subsidiaries may incur. We and our subsidiaries expect to incur additional indebtedness from time to time that will be senior to the Junior Subordinated Notes.

## **Interest**

The Junior Subordinated Notes will bear interest at \_\_\_\_\_ % per year from the date of original issuance. Subject to our right to defer interest payments described below, interest is payable quarterly in arrears on March 15, June 15, September 15 and December 15 of each year, commencing on September 15, 2009 (each, an Interest Payment Date). If interest payments are deferred or otherwise not paid, they will accrue and compound until paid at the annual rate of \_\_\_\_\_ %, to the extent permitted by applicable law. The amount of interest payable for any quarterly interest accrual period will be computed on the basis of a 360-day year consisting of twelve 30-day months.

In this prospectus supplement the term *interest* includes quarterly interest payments, and applicable interest on interest payments accrued but not paid on the applicable Interest Payment Date.

A *business day* is any day that is not a Saturday, a Sunday, a day on which banks in New York City are authorized or obligated by law or executive order to remain closed, or a day on which the Corporate Trust Office of the Series Trustee is closed for business.

If an Interest Payment Date or a redemption date of the Junior Subordinated Notes falls on a day that is not a business day, then payment of interest and/or principal payable on that date will be made on the next succeeding day which is a business day (and without any interest or other payment in respect of any delay), with the same force and effect as if made on such date.

So long as the Junior Subordinated Notes remain in book-entry only form, the record date for each Interest Payment Date will be the close of business on the business day before the applicable Interest Payment Date.

If the Junior Subordinated Notes are not in book-entry only form, the record date for each Interest Payment Date will be the close of business on the fifteenth calendar day before the applicable Interest Payment Date (whether or not a business day); however, interest payable at maturity or upon redemption or purchase will be paid to the person to whom principal is payable.

## **Table of Contents**

### **Option to Defer Interest Payments**

So long as there is no event of default with respect to the Junior Subordinated Notes under the Subordinated Indenture II pursuant to which the Junior Subordinated Notes will be issued, at our option, we may, on one or more occasions, defer payment of all or part of the current and accrued interest otherwise due on the Junior Subordinated Notes for a period of up to 10 consecutive years (each period, commencing on the date that the first such interest payment would otherwise have been made, an Optional Deferral Period). In other words, we may declare at our discretion up to a 10-year interest payment moratorium on the Junior Subordinated Notes and may choose to do that on more than one occasion. A deferral of interest payments may not extend beyond the maturity date of the Junior Subordinated Notes (which is June 15, 2064, subject to extensions as described in this prospectus supplement), and we may not begin a new Optional Deferral Period and may not pay current interest on the Junior Subordinated Notes until we have paid all accrued interest on the Junior Subordinated Notes from the previous Optional Deferral Period.

Any deferred interest on the Junior Subordinated Notes will accrue additional interest at a rate equal to the interest rate applicable to the Junior Subordinated Notes, to the extent permitted by applicable law. Once we pay all deferred interest payments on the Junior Subordinated Notes, including any additional interest accrued on the deferred interest, we can again defer interest payments on the Junior Subordinated Notes as described above, but not beyond the maturity date of the Junior Subordinated Notes.

### ***Certain Limitations During an Optional Deferral Period***

Unless we have paid all accrued and payable interest on the Junior Subordinated Notes and are not deferring any interest payments on the Junior Subordinated Notes at such time, subject to several exceptions, we will not and our subsidiaries will not do any of the following:

- (i) declare or pay any dividends or distributions, or redeem, purchase, acquire, or make a liquidation payment on any of Dominion Resources, Inc.'s capital stock;
- (ii) make any payment of principal of or interest or premium, if any, on or repay, repurchase or redeem any of our debt securities that rank on a parity with or junior to the Junior Subordinated Notes (including debt securities of other series issued under the Subordinated Indenture II); or
- (iii) make any guarantee payments on any guarantee of debt securities if the guarantee ranks on a parity with or junior to the Junior Subordinated Notes.

However, the foregoing provisions shall not prevent or restrict us from making:

- (a) purchases, redemptions or other acquisitions of our capital stock in connection with any employment contract, benefit plan or other similar arrangement with or for the benefit of employees, officers, directors, agents or consultants or a stock purchase or dividend reinvestment plan, or the satisfaction of our obligations pursuant to any contract or security outstanding on the date that the payment of interest is deferred requiring us to purchase, redeem or acquire our capital stock;
- (b) any payment, repayment, redemption, purchase, acquisition or declaration of dividend described in clause (i) above as a result of a reclassification of our capital stock, or the exchange or conversion of all or a portion of one class or series of our capital stock for another class or series of our capital stock;
- (c) the purchase of fractional interests in shares of our capital stock pursuant to the conversion or exchange provisions of our capital stock or the security being converted or exchanged, or in connection with the settlement of stock purchase contracts outstanding on the date that the payment of interest is deferred;

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- (d) dividends or distributions paid or made in our capital stock (or rights to acquire our capital stock), or repurchases, redemptions or acquisitions of capital stock in connection with the issuance or exchange of capital stock (or of securities convertible into or exchangeable for shares of our capital stock) and distributions in connection with the settlement of stock purchase contracts outstanding on the date that the payment of interest is deferred;

S-27



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## **Table of Contents**

- (e) redemptions, exchanges or repurchases of, or with respect to, any rights outstanding under a shareholder rights plan outstanding on the date that the payment of interest is deferred or the declaration or payment thereunder of a dividend or distribution of or with respect to rights in the future; or
- (f) payments on the Junior Subordinated Notes, any trust preferred securities, subordinated debentures, junior subordinated debentures or junior subordinated notes, or any guarantees of any of the foregoing, in each case that rank equal in right of payment to the Junior Subordinated Notes, so long as the amount of payments made on account of such securities or guarantees is paid on all such securities and guarantees then outstanding on a pro rata basis in proportion to the full payment to which each series of such securities and guarantees is then entitled if paid in full.

### ***Notice***

We will give the Series Trustee written notice of our election to begin a deferral period at least one business day before the record date for the next Interest Payment Date. The Series Trustee will forward any written notice that we give at our election to begin a deferral period to the holders of the Junior Subordinated Notes. However, our failure to pay interest on any Interest Payment Date will itself constitute the commencement of a deferral period unless we pay such interest within five business days after the Interest Payment Date, whether or not we provide a notice of deferral.

### **Events of Default**

The following are events of default under the Subordinated Indenture II:

our failure to pay principal when due;

our failure to pay interest when due and payable that continues for 30 days (subject to our right to optionally defer interest payments as described above under *Option to Defer Interest Payments* );

our failure to perform other covenants that continues beyond the grace period described in the Subordinated Indenture II; or

certain events of bankruptcy, insolvency or reorganization of Dominion Resources, Inc.

If such an event of default under the Subordinated Indenture II occurs due to our failure to pay principal or interest on the Junior Subordinated Notes, the Series Trustee or the holders of not less than 25% in principal amount of all the then outstanding Junior Subordinated Notes will have the right to declare the principal amount of the Junior Subordinated Notes and any accrued interest thereon, immediately due and payable. If such an event of default under the Subordinated Indenture II occurs as a result of our failure to perform certain other covenants or as a result of certain events of bankruptcy, the Series Trustee or the holders of not less than 25% in principal amount of all of the then outstanding securities issued under the Subordinated Indenture II (including the Junior Subordinated Notes then outstanding) as to which such event of default has occurred will have the right to declare, voting as one class, the principal amount of the Junior Subordinated Notes and any accrued interest thereon, immediately due and payable. For more information on these and other events of default, see DESCRIPTION OF DEBT SECURITIES Events of Default in the accompanying base prospectus.

### **Agreement by Holders to Certain Tax Treatment**

Each holder of the Junior Subordinated Notes will, by accepting the Junior Subordinated Notes or a beneficial interest therein, be deemed to have agreed that the holder intends that the Junior Subordinated Notes constitute debt and will treat the Junior Subordinated Notes as debt for United States federal, state and local tax purposes.

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## **Table of Contents**

### **Redemption**

The Junior Subordinated Notes will mature on June 15, 2064, subject to extensions as described in this prospectus supplement, and may be redeemed before their maturity:

in whole or in part on one or more occasions before June 15, 2014, at the redemption prices described below (see **Right to Redeem at Make-Whole Amount or Rating Agency Event Make-Whole Amount** below),

in whole or in part on one or more occasions on or after June 15, 2014, at 100% of their principal amount plus accrued and unpaid interest,

in whole, but not in part, before June 15, 2014, at 100% of their principal amount plus accrued and unpaid interest, upon the occurrence of a Tax Event, or

in whole or in part on one or more occasions before June 15, 2014, if a rating agency makes certain changes in the equity credit criteria for securities such as the Junior Subordinated Notes at the redemption prices described below (see **Right to Redeem at Make-Whole Amount or Rating Agency Event Make-Whole Amount** below).

**Tax Event** means the receipt by us of an opinion of counsel experienced in such tax matters to the effect that, as a result of (a) any amendment to, clarification of, or change (including any announced prospective change) in the laws or treaties of the United States or any political subdivisions or taxing authorities, or any regulations under such laws or treaties, (b) any judicial decision or any official administrative pronouncement, ruling, regulatory procedure, notice or announcement (including any notice or announcement of intent to issue or adopt any such administrative pronouncement, ruling, regulatory procedure or regulation), (c) any amendment to, clarification of, or change in the official position or the interpretation of any administrative action or judicial decision or any interpretation or pronouncement that provides for a position with respect to an administrative action or judicial decision that differs from the theretofore generally accepted position, in each case by any legislative body, court, governmental authority or regulatory body, irrespective of the time or manner in which such amendment, clarification or change is introduced or made known, or (d) threatened challenge asserted in writing in connection with an audit of us or any of our subsidiaries, or a publicly-known threatened challenge asserted in writing against any other taxpayer that has raised capital through the issuance of securities that are substantially similar to the Junior Subordinated Notes, which amendment, clarification, or change is effective, or which administrative action is taken or which judicial decision, interpretation or pronouncement is issued or threatened challenge is asserted or becomes publicly-known, in each case after the date of this prospectus supplement, there is more than an insubstantial risk that interest payable by us on the Junior Subordinated Notes is not deductible, or within 90 days would not be deductible, in whole or in part, by us for United States Federal income tax purposes.

#### ***Right to Redeem at Make-Whole Amount or Rating Agency Event Make-Whole Amount***

The Junior Subordinated Notes are redeemable, in whole or in part at any time and at our option prior to June 15, 2014, at a redemption price equal to the Make-Whole Amount (as defined below), plus accrued and unpaid interest through, but not including, the redemption date.

Before June 15, 2014, we will also have the right to redeem, in whole or in part, the Junior Subordinated Notes, at a redemption price equal to the Rating Agency Event Make-Whole Amount (as defined below), plus accrued and unpaid interest through, but not including, the redemption date.

A Rating Agency Event means a change in the methodology employed by any nationally recognized statistical rating organization within the meaning of Section 3(a)(62) of the Exchange Act (sometimes referred to in this prospectus supplement as a rating agency) that currently publishes a rating for Dominion in assigning equity credit to securities such as the Junior Subordinated Notes, as such methodology is in effect on the date of issuance of this prospectus supplement (the current criteria), which change results in:

the length of time for which such current criteria are scheduled to be in effect being shortened with respect to the Junior Subordinated Notes, or

S-29

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**Table of Contents**

a lower or higher equity credit being assigned by such rating agency to the Junior Subordinated Notes as of the date of such change than the equity credit that would have been assigned to the Junior Subordinated Notes as of the date of such change by such rating agency pursuant to its current criteria.

The Make-Whole Amount and the Rating Agency Event Make-Whole Amount will be determined in accordance with the following provisions:

Make-Whole Amount means an amount equal to the greater of:

100% of the principal amount of the Junior Subordinated Notes then outstanding being redeemed, or

the sum of the present values of (i) the remaining scheduled payments of interest thereon during the Designated Period (not including any portion of such payments of interest accrued as of the redemption date) and (ii) the principal amount of the Junior Subordinated Notes being redeemed assuming, solely for purposes of this calculation, a scheduled payment of such principal on June 15, 2014, discounted to the redemption date on a quarterly basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate, plus \_\_\_\_\_ basis points, as calculated by an Independent Investment Banker.

Rating Agency Event Make-Whole Amount means an amount equal to the greater of:

100% of the principal amount of the Junior Subordinated Notes then outstanding being redeemed, or

the sum of the present values of (i) the remaining scheduled payments of interest thereon during the Designated Period (not including any portion of such payments of interest accrued as of the redemption date) and (ii) the principal amount of the Junior Subordinated Notes being redeemed assuming, solely for purposes of this calculation, a scheduled payment of such principal on June 15, 2014, discounted to the redemption date on a quarterly basis (assuming a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate, plus \_\_\_\_\_ basis points, as calculated by an Independent Investment Banker.

Adjusted Treasury Rate means, with respect to any redemption date: (i) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated H.15(519) or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption Treasury Constant Maturities, for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after the end of the Designated Period, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue will be determined by an Independent Investment Banker and the Adjusted Treasury Rate will be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month); or (ii) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date. The Adjusted Treasury Rate shall be calculated on the third business day preceding the redemption date.

Comparable Treasury Issue means the United States Treasury security selected by an Independent Investment Banker as having a remaining term to maturity comparable to the Designated Period that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the Designated Period.

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

## **Table of Contents**

Designated Period means the time period from the redemption date to June 15, 2014.

Independent Investment Banker means any of Banc of America Securities LLC, Citigroup Global Markets Inc., Morgan Stanley & Co. Incorporated, UBS Securities LLC or one other primary United States government securities dealer in the United States (a Primary Treasury Dealer ) selected by Wachovia Capital Markets, LLC and their respective successors, as selected by us, or if any such firm is unwilling or unable to serve as such, an independent investment and banking institution of national standing appointed by us.

Reference Treasury Dealer means Banc of America Securities LLC, Citigroup Global Markets Inc., Morgan Stanley & Co. Incorporated, UBS Securities LLC and one other Primary Treasury Dealer selected by Wachovia Capital Markets, LLC, and their respective successors; provided that, if any such firm or its successors ceases to be a Primary Treasury Dealer, we shall substitute another Primary Treasury Dealer.

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

### **The Series Trustee and Trustee**

The Series Trustee for this series of Junior Subordinated Notes will be Deutsche Bank Trust Company Americas or its affiliates. The Series Trustee will administer its corporate trust business at 60 Wall Street, 27th Floor, New York, NY 10005. We and certain of our affiliates maintain banking relationships with Deutsche Bank Trust Company Americas. Deutsche Bank Trust Company Americas also serves as trustee under other indentures under which we and certain of our affiliates have issued securities. Deutsche Bank Trust Company Americas and its affiliates have purchased, and are likely to purchase in the future, our securities and securities of our affiliates.

The Trustee under the Subordinated Indenture II is The Bank of New York Mellon (successor to JPMorgan Chase Bank, N.A.). We and certain of our affiliates maintain deposit accounts and banking relationships with The Bank of New York Mellon. The Bank of New York Mellon also serves as trustee under other indentures under which securities of certain of our affiliates are outstanding.

The Series Trustee will act as Trustee with respect to the Junior Subordinated Notes for all purposes of the Subordinated Indenture II and The Bank of New York Mellon will have no rights, powers, trusts or duties with respect to the Junior Subordinated Notes.

### **CERTAIN TERMS OF THE REPLACEMENT CAPITAL COVENANT**

This section briefly summarizes some of the provisions of the Replacement Capital Covenant. This summary does not contain a complete description of the Replacement Capital Covenant. You should read this summary together with the Replacement Capital Covenant for a complete understanding of all the provisions. Our Replacement Capital Covenant is available upon request.

At or around the time of the issuance of the Junior Subordinated Notes, we will covenant in the Replacement Capital Covenant for the benefit of holders of a designated series of our unsecured long-term indebtedness that ranks senior to the Junior Subordinated Notes, that

we will not redeem, purchase or defease the Junior Subordinated Notes, and

we will not cause our majority-owned subsidiaries to purchase the Junior Subordinated Notes;

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**Table of Contents**

on or before June 15, 2034, (which date will be automatically extended for additional quarterly periods to no later than June 15, 2049 if and to the extent that the maturity date of the Junior Subordinated Notes is extended as provided in SPECIFIC TERMS OF THE JUNIOR SUBORDINATED NOTES Maturity on page S-24), unless, subject to certain limitations, a specified amount shall have been raised from the issuance, during the 180 days prior to the date of that redemption, purchase or defeasance, of qualifying securities that have equity-like characteristics that are the same as, or more equity-like than, the applicable characteristics of the Junior Subordinated Notes at the time of redemption, purchase or defeasance. The determination of the equity-like characteristics of the Junior Subordinated Notes may result in the issuance of an amount of new securities that may be less than the principal amount of the Junior Subordinated Notes being redeemed, purchased or defeased, depending upon, among other things, the nature of the new securities issued and the equity-like characteristics attributed by a rating agency to the Junior Subordinated Notes and the new securities.

The Replacement Capital Covenant runs only to the benefit of holders of the designated series of our unsecured long-term indebtedness. The Replacement Capital Covenant is not intended for the benefit of holders of the Junior Subordinated Notes and may not be enforced by them, and the Replacement Capital Covenant is not a term of the Subordinated Indenture II or the Junior Subordinated Notes.

Our ability to raise amounts from the issuance of qualifying securities during the 180 days prior to a proposed redemption, purchase or defeasance of the Junior Subordinated Notes will depend on, among other things, market conditions at that time as well as the acceptability to prospective investors of the nature and terms of those qualifying securities.

We may amend or supplement the Replacement Capital Covenant from time to time with the consent of the holders of a majority in aggregate outstanding principal amount of the designated series of indebtedness benefiting from the Replacement Capital Covenant, except that no such consent will be required (i) for certain specified types of changes to the types of securities qualifying as replacement capital securities, (ii) if the sole effect of such amendment or supplement is either (A) to impose additional restrictions on our ability (1) to redeem, purchase or defease the Junior Subordinated Notes or (2) any majority-owned subsidiary of ours to purchase the Junior Subordinated Notes, or (B) to impose additional restrictions on, or to eliminate certain of, the types of securities qualifying as replacement capital securities (other than securities which are covered by clause (i) above) and, in each case, one of our officers has delivered to the holders of the then-effective covered debt a written certificate to that effect, (iii) if such amendment or supplement extends the Stepdown Date (the date on which the amount of qualifying securities required for redemption, purchase or defeasance of the Junior Subordinated Notes is reduced) which is the date 50 years prior to the maturity date, as extended, of the Junior Subordinated Notes, or the Termination Date (as defined below) for the Replacement Capital Covenant, or both, or (iv) if such amendment or supplement is not adverse to the holders of the then-effective covered debt, and one our officers has delivered to the holders of the then-effective covered debt a written certificate stating that, in his or her determination, such amendment or supplement is not adverse to the holders of the series of then-effective covered debt.

The Replacement Capital Covenant will remain in effect until the earliest date (Termination Date) to occur of (i) June 15, 2034 (which date will be automatically extended for additional quarterly periods to no later than June 15, 2049, if and to the extent that the maturity date of the Junior Subordinated Notes is extended), or if earlier, the date on which the Junior Subordinated Notes are otherwise paid, redeemed, defeased, or purchased in full (in compliance with the Replacement Capital Covenant), (ii) the date, if any, on which the holders of at least a majority of the outstanding principal amount of the designated series of indebtedness then benefiting from the Replacement Capital Covenant agree to the termination of our obligations under the Replacement Capital Covenant, (iii) the date on which we have no eligible covered debt and (iv) the date on which the Junior Subordinated Notes are accelerated as a result of an event of default under the Subordinated Indenture II. For a description of the events of default under the Subordinated Indenture II, see SPECIFIC TERMS OF THE JUNIOR SUBORDINATED NOTES Events of Default and DESCRIPTION OF DEBT SECURITIES Events of Default in the accompanying base prospectus.

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**Table of Contents**

**BOOK-ENTRY PROCEDURES AND SETTLEMENT**

Upon issuance, the Junior Subordinated Notes will be represented by one or more fully registered global certificates. Each global certificate is deposited with the Series Trustee on behalf of DTC or its custodian and is registered in the name of DTC or a nominee of DTC. DTC is thus the only registered holder of these securities.

The following is based on information furnished to us by DTC:

DTC is a limited-purpose trust company organized under the New York Banking Law, a banking organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code, and a clearing agency registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities that its participants (Direct Participants) deposit with DTC. DTC also facilitates the settlement among Direct Participants of sales and other securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (DTCC). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation, as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the Financial Industry Regulatory Authority, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, trust companies and clearing companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (Indirect Participants). The rules applicable to DTC and its Direct and Indirect Participants are on file with the SEC.

Purchases of securities under the DTC system must be made by or through Direct Participants, who will receive a credit for the securities on DTC's records. The ownership interest of each actual purchaser of each security (Beneficial Owner) is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in securities, except in the event that use of the book-entry system for the securities is discontinued.

To facilitate subsequent transfers, all securities deposited by Direct Participants with the trustee on behalf of DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of securities with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the securities; DTC's records reflect only the identity of the Direct Participants to whose accounts those securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the securities. Under its usual procedures, DTC mails an omnibus proxy to the Company as soon as possible after the record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the securities are credited on the record date (identified in a listing attached to the omnibus proxy).

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## **Table of Contents**

Principal and interest payments on the securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Company or its agent on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in street name, and will be the responsibility of that Participant and not of DTC, the Company or the trustee, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Company or its agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Junior Subordinated Notes at any time by giving reasonable notice to the Company or the Series Trustee. Under such circumstances, if a successor securities depository is not obtained, security certificates are required to be printed and delivered.

The Company may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, security certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that we believe to be reliable, but we take no responsibility for the accuracy thereof.

We have no responsibility for the performance by DTC or its Participants of their respective obligations as described in this prospectus or under the rules and procedures governing their respective operations.

## **CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS**

The following is a general discussion of certain U.S. federal income tax considerations relating to the purchase, ownership and disposition of the Junior Subordinated Notes. This discussion only applies to Junior Subordinated Notes that are held as capital assets by holders who purchase the Junior Subordinated Notes in the initial offering at their issue price, which will equal the first price at which a substantial amount of the Junior Subordinated Notes are sold for money to the public (not including bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). This discussion does not describe all of the tax considerations that may be relevant to holders in light of their particular circumstances or to holders subject to special rules, such as certain financial institutions, banks, insurance companies, tax-exempt entities, certain former citizens or residents of the United States, dealers in securities, traders in securities that elect to use a mark-to-market method of accounting, partnerships and other pass-through entities (and persons holding the Junior Subordinated Notes through a partnership or other pass-through entity), persons holding the Junior Subordinated Notes as part of a hedge, straddle, constructive sale, conversion transaction or other integrated transaction, U.S. holders (as defined below) whose functional currency is not the U.S. dollar, passive foreign investment companies, controlled foreign corporations and corporations that accumulate earnings to avoid U.S. federal income tax. In addition, this discussion does not address the effect of any state, local, foreign or other tax laws or any U.S. federal estate, gift or alternative minimum tax considerations. This discussion is based on the Internal Revenue Code of 1986, as amended (the Code), administrative pronouncements of the Internal Revenue Service, judicial decisions and final, temporary and proposed Treasury regulations, all as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect.

As used in this prospectus supplement, the term "U.S. holder" means a beneficial owner of a Junior Subordinated Note that is for U.S. federal income tax purposes:

an individual citizen or resident of the United States;

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



## **Table of Contents**

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

a trust if (i) a court within the United States is able to exercise primary supervision over its administration and one or more United States persons have the authority to control all substantial decisions of the trust, or (ii) that trust was in existence on August 1, 1996 and has a valid election in effect under applicable U.S. Treasury regulations to be treated as a domestic trust.

As used in this summary, the term *non-U.S. holder* means a beneficial owner of a Junior Subordinated Note that is neither a U.S. holder nor a partnership (or other entity treated as a partnership for U.S. federal income tax purposes).

Persons considering the purchase of the Junior Subordinated Notes should consult their own tax advisors as to the U.S. federal income tax considerations relating to the purchase, ownership and disposition of the Junior Subordinated Notes in light of their particular circumstances, as well as the effect of any state, local, foreign or other tax laws.

### ***Classification of the Junior Subordinated Notes***

The determination of whether a security should be classified as indebtedness or equity for U.S. federal income tax purposes requires a judgment based on all relevant facts and circumstances. There is no statutory, judicial or administrative authority that directly addresses the U.S. federal income tax treatment of securities similar to the Junior Subordinated Notes. Based upon an analysis of the relevant facts and circumstances, including certain assumptions made by them and representations provided by us to them, McGuireWoods LLP will provide us with an opinion generally to the effect that under then current law and assuming full compliance with the terms of the Subordinated Indenture II and other relevant documents, the Junior Subordinated Notes will be treated as indebtedness of Dominion for U.S. federal income tax purposes (although there is no controlling authority directly on point). This opinion is not binding on the Internal Revenue Service (IRS) or any court and there can be no assurance that the IRS or a court will agree with this opinion. We agree, and by acquiring an interest in a Junior Subordinated Note each beneficial owner of a Junior Subordinated Note will agree, to treat the Junior Subordinated Notes as indebtedness for U.S. federal income tax purposes, and the remainder of this discussion assumes this treatment. Holders should consult their own tax advisors regarding the tax consequences if the Junior Subordinated Notes are not treated as indebtedness for U.S. federal income tax purposes.

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

#### ***Interest***

Pursuant to applicable U.S. Treasury regulations, the possibility that interest on the Junior Subordinated Notes might be deferred could result in the Junior Subordinated Notes being treated as issued with original issue discount, unless the likelihood of a deferral is remote within the meaning of the regulations. We believe that the likelihood of interest deferral is remote and therefore that the possibility of a deferral will not result in the Junior Subordinated Notes being treated as issued with original issue discount. Accordingly, interest paid on the Junior Subordinated Notes should be taxable to a U.S. holder as ordinary interest income at the time it accrues or is received, in accordance with that U.S. holder's method of accounting for U.S. federal income tax purposes. However, there can be no assurance that the IRS or a court will agree with this position. If the possibility of interest deferral were determined not to be remote or if interest were in fact deferred, the Junior Subordinated Notes would be treated as issued with original issue discount at the time of issuance or at the time of that deferral, as the case may be, and all stated interest (or if the possibility of interest deferral was remote, but the interest is in fact deferred, all stated interest due after that deferral) would be treated as original issue discount. In that case, a U.S. holder would be required to include that stated interest in income as it accrues using a constant yield method, regardless of that holder's regular method of accounting and before that U.S. holder actually receives any cash payment attributable to that interest, but the U.S. holder would not separately report the actual cash payments of interest on the Junior Subordinated Notes as taxable income.

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**Table of Contents**

***Sale, Exchange, Redemption, Retirement or other Taxable Disposition of the Junior Subordinated Notes***

Upon the sale, exchange, redemption, retirement or other taxable disposition of a Junior Subordinated Note, a U.S. holder will generally recognize gain or loss equal to the difference between the amount realized on the sale, exchange, redemption, retirement or other taxable disposition and that U.S. holder's adjusted tax basis in the Junior Subordinated Note. For these purposes, the amount realized does not include any amount attributable to accrued but unpaid interest, which will constitute ordinary income if not previously included in income. Assuming that there are no deferred payments of interest on the Junior Subordinated Notes and that the Junior Subordinated Notes are not deemed to be issued with original issue discount, a U.S. holder's adjusted tax basis in the Junior Subordinated Notes generally will be its initial purchase price. If the Junior Subordinated Notes are deemed to be issued with original issue discount, a U.S. holder's tax basis in the Junior Subordinated Notes generally will be its initial purchase price, increased by original issue discount previously includible in that U.S. holder's gross income to the date of disposition and decreased by payments received by that U.S. holder on the Junior Subordinated Notes since and including the date that the Junior Subordinated Notes were deemed to be issued with original issue discount. Gain or loss realized on the sale, exchange, redemption or retirement of a Junior Subordinated Note will generally be capital gain or loss and will be long-term capital gain or loss if at the time of the sale, exchange, redemption, retirement or other taxable disposition the Junior Subordinated Note has been held by that U.S. holder for more than one year. Long-term capital gain of a non-corporate U.S. holder is generally eligible for a reduced rate of taxation. The deductibility of capital losses is subject to limitations.

***Backup Withholding and Information Reporting***

Information reporting requirements generally apply in connection with payments on the Junior Subordinated Notes to, and proceeds from a sale or other disposition of the Junior Subordinated Notes by, non-corporate U.S. holders. A U.S. holder will be subject to backup withholding tax on interest paid on the Junior Subordinated Notes and proceeds from a sale or other disposition of the Junior Subordinated Notes if the U.S. holder fails to provide its correct taxpayer identification number to the paying agent in the manner required under U.S. federal income tax law, fails to comply with applicable backup withholding tax rules or does not otherwise establish an exemption from backup withholding. Any amounts withheld under the backup withholding rules will entitle that U.S. holder to a credit against that U.S. holder's U.S. federal income tax liability and may entitle that U.S. holder to a refund, provided that the required information is timely and properly furnished to the IRS.

U.S. holders should consult their tax advisors regarding the application of backup withholding in their particular situation, the availability of an exemption from backup withholding and the procedure for obtaining such an exemption, if available.

**Non-U.S. Holders**

Assuming that the Junior Subordinated Notes will be treated as indebtedness for U.S. federal income tax purposes, no withholding of United States federal income tax will apply to interest paid on a Junior Subordinated Note to a non-U.S. holder under the portfolio interest exemption, provided that:

the interest is not effectively connected with the non-U.S. holder's conduct of a trade or business in the United States;

the non-U.S. holder does not actually or constructively own 10% or more of the total combined voting power of all classes of our stock entitled to vote;

the non-U.S. holder is not a controlled foreign corporation that is related directly or constructively to us through stock ownership; and

the non-U.S. holder provides to the withholding agent, in accordance with specified procedures, a statement to the effect that that such non-U.S. holder is not a United States person (generally by providing a properly executed IRS Form W-8BEN).

## Table of Contents

If a non-U.S. holder cannot satisfy the requirements of the portfolio interest exemption described above, interest paid on the Junior Subordinated Notes (including payments in respect of original issue discount, if any, on the Junior Subordinated Notes) made to a non-U.S. holder should be subject to a 30% United States federal withholding tax, unless that non-U.S. holder provides the withholding agent with a properly executed statement (i) claiming an exemption from or reduction of withholding under an applicable United States income tax treaty or (ii) stating that the interest is not subject to withholding tax because it is effectively connected with that non-U.S. holder's conduct of a trade or business in the United States.

If a non-U.S. holder is engaged in a trade or business in the United States (or, if an applicable United States income tax treaty applies, if the non-U.S. holder maintains a permanent establishment within the United States) and the interest is effectively connected with the conduct of that trade or business (or, if an applicable United States income tax treaty applies, attributable to that permanent establishment), that non-U.S. holder will be subject to United States federal income tax on the interest on a net income basis in the same manner as if that non-U.S. holder were a U.S. holder. In addition, a non-U.S. holder that is a foreign corporation engaged in a trade or business in the United States may be subject to a 30% (or, if an applicable United States income tax treaty applies, a lower rate as provided) branch profits tax.

Any gain realized on the disposition of a Junior Subordinated Note generally will not be subject to United States federal income tax unless:

that gain is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States (or, if an applicable United States income tax treaty applies, is attributable to a permanent establishment maintained by the non-U.S. holder within the United States); or

the non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met.

In general, backup withholding and information reporting will not apply to interest paid on a Junior Subordinated Note to a non-U.S. holder, or to proceeds from the disposition of a Junior Subordinated Note by a non-U.S. holder, in each case, if the non-U.S. holder certifies under penalties of perjury that it is a non-U.S. holder and neither we nor our paying agent has actual knowledge (or reason to know) to the contrary. Any amounts withheld under the backup withholding rules will entitle such non-U.S. holder to a credit against U.S. federal income tax liability and may entitle such non-U.S. holder to a refund, provided that the required information is timely and properly furnished to the IRS. In general, if a Junior Subordinated Note is not held through a qualified intermediary, the amount of payments made on that Junior Subordinated Note, the name and address of the beneficial owner and the amount, if any, of tax withheld may be reported to the IRS.

Non-U.S. holders should consult their tax advisors regarding the application of backup withholding in their particular situation, the availability of an exemption from backup withholding and the procedure for obtaining such an exemption, if available.

THE UNITED STATES FEDERAL INCOME TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE DEPENDING UPON A HOLDER'S PARTICULAR SITUATION. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE JUNIOR SUBORDINATED NOTES, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, FOREIGN AND OTHER TAX LAWS.



**Table of Contents**

The following table shows the public offering price, underwriting discount to be paid to the underwriters and proceeds, before expenses, to us. The information assumes either no exercise or full exercise by the underwriters of their option, discussed above, to purchase additional Junior Subordinated Notes. Where the underwriters' option is assumed to have been exercised in full, the information also assumes that there were no sales to institutions under the option.

	Without Option	With Option
Public Offering Price	\$	\$
Underwriting Discount (1)	\$	\$
Proceeds to Company (before expenses) (1)	\$	\$

(1) As a result of sales to institutions with respect to the \$ principal amount of the Junior Subordinated Notes, the underwriting discount decreased, and the total proceeds to us increased by \$ , which amounts are reflected in the table above. We estimate that the total expenses of the offering, not including the underwriting discount, will be approximately \$250,000.

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

The Junior Subordinated Notes are a new issue of securities with no established trading market. We intend to apply to list the Junior Subordinated Notes on the New York Stock Exchange and trading of the Junior Subordinated Notes on the New York Stock Exchange is expected to begin within a 30-day period after the Junior Subordinated Notes are first issued. We have been advised by the underwriters that they intend to make a market in the Junior Subordinated Notes prior to the commencement of trading on the New York Stock Exchange but are not obligated to do so and may discontinue such market-making activities at any time without notice. We can provide no assurance as to the liquidity of the trading market for the Junior Subordinated Notes.

In order to facilitate the offering of the Junior Subordinated Notes, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the prices of the Junior Subordinated Notes. Specifically, the underwriters may overallocate in connection with the offering, creating a short position in the Junior Subordinated Notes for the underwriters. In addition, to cover overallocations or to stabilize the prices of the Junior Subordinated Notes, the underwriters may bid for, and purchase, the Junior Subordinated Notes in the open market. Finally, the underwriters may reclaim selling concessions allowed to a dealer for distributing the Junior Subordinated Notes in the offering, if they repurchase previously distributed Junior Subordinated Notes in transactions to cover short positions, in stabilization transactions or otherwise. Any of these activities may stabilize or maintain the market price for the Junior Subordinated Notes above independent market levels. The underwriters are not required to engage in these activities and may end any of these activities at any time without notice.

The underwriters and their affiliates have, from time to time, performed, and currently perform and may in the future perform various investment or commercial banking, lending, trust and financial advisory services for us and our affiliates in the ordinary course of business.

**T+5 Settlement**

We expect that delivery of the Junior Subordinated Notes will be made against payment for the Junior Subordinated Notes on or about the delivery date specified on the cover page of this prospectus supplement, which will be the fifth business day following the date of this prospectus supplement (this settlement cycle being referred to as T+5 ). Under Rule 15c6-1 of the SEC under the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to that trade expressly agree otherwise. Accordingly, purchasers who wish to trade Junior Subordinated Notes on the date of this prospectus supplement or the next succeeding business day will be required, by virtue of the fact that the Junior Subordinated Notes initially will settle in T+5, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement and should consult their own advisors.

**Table of Contents**

**LEGAL MATTERS**

Certain legal matters in connection with the offering of the Junior Subordinated Notes will be passed upon for us by McGuireWoods LLP, and for the underwriters by Troutman Sanders LLP, which also performs certain legal services for us and our other affiliates on other matters.

**EXPERTS**

The consolidated financial statements as of December 31, 2008 and 2007, and for each of the three years in the period ended December 31, 2008, incorporated by reference in this prospectus, and the effectiveness of Dominion Resources, Inc.'s internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated by reference herein, which reports (1) express an unqualified opinion on the consolidated financial statements (and include an explanatory paragraph relating to the adoption of new accounting standards) and (2) express an unqualified opinion on the effectiveness of internal control over financial reporting and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

S-40

**Table of Contents**

PROSPECTUS

**DOMINION RESOURCES, INC.**

120 Tredegar Street

Richmond, Virginia 23219

(804) 819-2000

Senior Debt Securities

Junior Subordinated Debentures

Junior Subordinated Notes

Trust Preferred Securities, Related Guarantee and Agreement as to Expenses  
and Liabilities

Common Stock

Preferred Stock

Stock Purchase Contracts

Stock Purchase Units

From time to time, we may offer and sell our securities. The securities we may offer may be convertible into or exercisable or exchangeable for other securities of the Company.

We will file prospectus supplements and may provide other offering materials that furnish specific terms of the securities to be offered under this prospectus. The terms of the securities will include the initial offering price, aggregate amount of the offering, listing on any securities exchange or quotation system, investment considerations and the agents, dealers or underwriters, if any, to be used in connection with the sale of the securities. You should read this prospectus and any supplement or other offering materials carefully before you invest.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

This prospectus is dated January 29, 2009.

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**Table of Contents**

**ABOUT THIS PROSPECTUS**

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission (SEC) utilizing a shelf registration process. Under this shelf process, we may, from time to time, sell either separately or in units any combination of the securities described in this prospectus in one or more offerings up to an unspecified dollar amount. This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement or other offering materials that will contain specific information about the terms of that offering. Material United States federal income tax considerations applicable to the offered securities will also be discussed in the applicable prospectus supplement or other offering materials as necessary. The prospectus supplement or other offering materials may also add, update or change information contained in this prospectus. You should read both this prospectus, any prospectus supplement or other offering materials together with additional information described under the heading WHERE YOU CAN FIND MORE INFORMATION. When we use the terms we, our, us, Dominion or the Company in this prospectus, we are referring to Dominion Resources Inc. and not Dominion Resources Capital Trust IV.

**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Our file number with the SEC is 001-08489. Our SEC filings are available to the public over the Internet at the SEC's web site at <http://www.sec.gov>. You may also read and copy any document we file at the SEC's public reference room in Washington, D.C. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. You may also read and copy these documents at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

The SEC allows us to incorporate by reference the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus, and later information that we file with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings made with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934 until we sell all of the securities:

Annual Report on Form 10-K for the year ended December 31, 2007;

Quarterly Reports on Form 10-Q for the quarters ended March 31, 2008; June 30, 2008; and September 30, 2008;

Current Reports on Form 8-K, filed January 3, 2008, January 30, 2008 (with respect to Items 5.02 and 9.01), April 2, 2008, May 9, 2008, June 5, 2008, June 16, 2008, November 26, 2008, December 5, 2008 and January 29, 2009 (with respect to Item 5.02) (other than any portions of those documents not deemed to be filed); and

the description of our common stock contained in our Current Report on Form 8-K, filed December 5, 2008.

You may request a copy of these filings at no cost, by writing or telephoning us at: Corporate Secretary, Dominion Resources, Inc., 120 Tredegar Street, Richmond, Virginia 23219, (804) 819-2000.

You should rely only on the information contained in this prospectus or to which this prospectus refers you. We have not authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus may only be used where it is legal to sell these securities. The information which appears in this prospectus and which is incorporated by reference in this prospectus may only be accurate as of the date of this prospectus or the date of the document in which incorporated information appears. Our business, financial condition, results of operations and prospects may have changed since that date.



## **Table of Contents**

### **SAFE HARBOR AND CAUTIONARY STATEMENTS**

This prospectus or other offering materials may contain or incorporate by reference forward-looking statements. Examples include discussions as to our expectations, beliefs, plans, goals, objectives and future financial or other performance. These statements, by their nature, involve estimates, projections, forecasts and uncertainties that could cause actual results or outcomes to differ substantially from those expressed in the forward-looking statements. Factors that could cause actual results to differ from those in the forward-looking statements may accompany the statements themselves; generally applicable factors that could cause actual results or outcomes to differ from those expressed in the forward-looking statements will be discussed in our reports on Forms 10-K, 10-Q and 8-K incorporated by reference herein and in prospectus supplements and other offering materials.

By making forward-looking statements, we are not intending to become obligated to publicly update or revise any forward-looking statements whether as a result of new information, future events or other changes. Readers are cautioned not to place undue reliance on any forward-looking statements, which speak only as at their dates.

### **DOMINION**

Dominion, headquartered in Richmond, Virginia, is one of the nation's largest producers and transporters of energy. Dominion also operates the nation's largest natural gas storage network and serves retail energy customers in 12 states. As of September 30, 2008, we had approximately \$41.4 billion in assets.

We currently manage our operations through three primary business segments that are designed to streamline operations and position us for long-term growth in the competitive energy marketplace by focusing on our electric and gas products and services. They are:

*Dominion Energy* Dominion Energy manages our 14,000 miles of natural gas transmission, gathering and storage pipeline, and a 975 billion cubic foot natural gas storage network. This business segment includes our Ohio regulated natural gas distribution operations that serve approximately 1.2 million residential, commercial and industrial gas sales and transportation customers. Dominion Energy also operates our Cove Point, Maryland liquefied natural gas import and storage facility. In addition, it oversees our natural gas production located in the Appalachian Basin and producer services, which aggregates gas supply, engages in trading and marketing activities, provides market-based services related to fuel and gas supply management, and supplies price risk management services to Dominion affiliates.

*Dominion Generation* Dominion Generation manages our approximately 27,000 megawatt portfolio of merchant and regulated utility electric power generation and guides our generation growth strategy and energy trading and marketing activities associated with our generation assets. The generation mix is diversified and includes coal, nuclear, gas, oil, renewables and purchased power. Our electric generation operations currently focus on serving customers in the energy intensive Northeast, Mid-Atlantic and Midwest regions of the United States. Our generation facilities are located in Connecticut, Illinois, Indiana, Massachusetts, North Carolina, Pennsylvania, Rhode Island, Virginia, West Virginia and Wisconsin.

*Dominion Virginia Power* Dominion Virginia Power manages our regulated electric distribution and electric transmission operations in Virginia and northeastern North Carolina, as well as our nonregulated retail energy marketing and regulated and nonregulated customer service operations. Our regulated electric distribution operations serve approximately 2.4 million residential, commercial, industrial and governmental customer accounts in Virginia and northeastern North Carolina; and our nonregulated retail energy marketing operations serve approximately 1.7 million customer accounts in the Northeast, Mid-Atlantic, South and Midwest.

## **Table of Contents**

### **Principal Subsidiaries**

Our principal direct, legal subsidiaries include Virginia Electric and Power Company (Virginia Power), a regulated public utility that generates, transmits and distributes electricity for sale in Virginia and northeastern North Carolina; Dominion Energy, Inc., which is involved in merchant generation, energy marketing and price risk management activities and natural gas exploration and production in the Appalachian basin of the U.S.; Dominion Transmission, Inc., which operates a regulated interstate natural gas transmission pipeline and underground storage system in the Northeast, mid-Atlantic and Midwest states and is engaged in the production, gathering and extraction of natural gas in the Appalachian basin; Virginia Power Energy Marketing, Inc., which provides fuel, gas supply management and risk management services to other Dominion affiliates and engages in energy trading activities; Dominion Retail, Inc., which provides energy and energy related services to 1.7 million customers in 12 states, including electricity customers in Texas, Pennsylvania, Massachusetts, Connecticut, Ohio, Maine, New York and Maryland; Dominion Exploration & Production, Inc., which explores for, develops and produces natural gas and oil in the Appalachian basin of the U.S.; and The East Ohio Gas Company, our Ohio regulated natural gas distribution subsidiary.

For additional information about us, see WHERE YOU CAN FIND MORE INFORMATION on page 2.

### **THE TRUST**

Dominion Resources Capital Trust IV is a statutory trust formed under Delaware law by us, as sponsor for the Trust, and BNY Mellon Trust of Delaware (successor to Chase Bank USA, National Association (formerly known as Chase Manhattan Bank USA, National Association)), who will serve as trustee in the State of Delaware for the purpose of complying with the provisions of the Delaware Statutory Trust Act. The trust agreement for the Trust will be amended and restated substantially in the form filed as an exhibit to the registration statement, effective when securities of the Trust are initially issued. The amended trust agreement will be qualified as an indenture under the Trust Indenture Act of 1939.

The Trust exists for the exclusive purposes of

issuing two classes of trust securities, Trust Preferred Securities and trust common securities, which together represent undivided beneficial interests in the assets of the Trust;

investing the gross proceeds of the trust securities in the applicable series of our Debt Securities;

acquiring such other assets or making such other investments as may be described in any prospectus supplement;

making distributions; and

engaging in only those other activities necessary, advisable or incidental to the purposes listed above.

The applicable series of Debt Securities will be the sole assets of the Trust, and our payments under the applicable series of Debt Securities issued to the Trust and the Agreement as to Expenses and Liabilities will be the sole revenue of the Trust.

No separate financial statements of the Trust are included in this prospectus. We believe that these financial statements would not be material to holders of the Trust Preferred Securities because the Trust has no independent operations and the purpose of the Trust is as described above. The Trust is not required to file annual, quarterly or current reports with the SEC.

The principal place of business of the Trust will be c/o Dominion Resources, Inc., 120 Tredegar Street, Richmond, Virginia 23219.

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

Unless otherwise indicated in the applicable prospectus supplement or other offering materials, we will use the net proceeds from the sale of the securities offered by this prospectus to finance capital expenditures and future acquisitions and to retire or redeem debt securities issued by us and for other general corporate purposes which may include the repayment of commercial paper and debt under any of our credit facilities.

**RATIO OF EARNINGS TO FIXED CHARGES**

For purposes of this ratio, earnings are determined by adding distributed income of equity investees and fixed charges (excluding interest capitalized) to income before income taxes and minority interest after eliminating the equity in earnings or losses of equity investees. These earnings are then divided by total fixed charges. Fixed charges consist of interest charges (without reduction for Allowance for Funds Used During Construction) on long-term and short-term debt, interest capitalized, the portion of rental expense that is representative of the interest factor and preferred stock dividends of consolidated subsidiaries (grossed-up by a factor of pre-tax net income divided by net income).

The ratio of earnings to fixed charges presented below shall also serve to represent the ratio of preference dividends to earnings.

The ratio of earnings to fixed charges for each of the periods indicated is as follows:

Nine Months Ended September 30,	Twelve Months Ended September 30,	Years Ended December 31,					2003 (g)
		2008 (a)	2008 (b)	2007 (c)	2006 (d)	2005 (e)	
3.81	3.65	4.28	2.90	2.34	2.83	2.27	

- (a) Earnings for the nine months ended September 30, 2008 include \$83 million of impairment charges reflecting other-than-temporary declines in the fair value of securities held in merchant nuclear decommissioning trust funds, \$59 million of impairment charges related to Dominion Capital, Inc. (DCI) assets, and a \$42 million reduction in the gain recognized in 2007 from the sale of the majority of our U.S. exploration and production (E&P) businesses as a result of post-closing adjustments. Earnings for the period also include a \$46 million benefit related to the planned sale of two natural gas distribution utilities, The Peoples Natural Gas Company (Peoples) and Hope Gas, Inc. (Hope), and a \$7 million benefit related to other items. Excluding these items from the calculation would result in a higher ratio of earnings to fixed charges for the nine months ended September 30, 2008.
- (b) Earnings for the twelve months ended September 30, 2008 include \$99 million of impairment charges reflecting other-than-temporary declines in the fair value of securities held in nuclear decommissioning trust funds, \$61 million of impairment charges related to DCI assets, a \$46 million benefit related to the planned sale of Peoples and Hope, and \$2 million of charges related to other items. Excluding these items from the calculation would result in a higher ratio of earnings to fixed charges for the twelve months ended September 30, 2008.
- (c) Earnings for the twelve months ended December 31, 2007 include a \$3.6 billion gain from the disposition of the majority of our U.S. E&P operations, partially offset by \$1 billion of charges related to the disposition which are comprised of \$541 million related to the discontinuance of hedge accounting for certain gas and oil derivatives and subsequent changes in the fair value of these derivatives, \$171 million primarily related to the settlement of volumetric production payment agreements, \$242 million of charges related to the early retirement of debt, and \$91 million of employee-related expenses. Earnings for the period also include a \$387 million charge related to the impairment of the partially-completed Dresden generation facility; a \$231 million charge due to the termination of a power sales agreement at our State Line generating facility; \$88 million of impairment charges related to DCI assets; \$48 million of charges related to litigation reserves, and \$70 million of charges related to other items. Fixed charges for the twelve months ended December 31, 2007 include \$234 million of costs related to the early retirement of debt associated with our debt tender offer completed in July 2007. Excluding these items from the calculation would result in a lower ratio of earnings to fixed charges for the twelve months ended December 31, 2007.
- (d) Earnings for the twelve months ended December 31, 2006 include \$189 million of charges related to the planned sale of two natural gas distribution utilities, Peoples and Hope, including \$166 million resulting from the write-off of certain regulatory assets, \$90 million of impairment charges related to DCI assets, a \$60 million charge due to an adjustment eliminating the application of hedge accounting related to certain interest rate swaps associated with our junior subordinated notes payable to affiliated trusts, a \$27 million charge resulting from the termination of a pipeline project in West Virginia, a \$26 million impairment charge resulting from a change in method of assessing other-than-temporary decline in the fair value of certain securities, \$17 million of incremental charges related to hurricanes Katrina and Rita, and \$9 million of net charges related to other items. Excluding these items from the calculation would result in a higher ratio of earnings to fixed charges for the twelve months ended December 31, 2006.

**Table of Contents**

- (e) Earnings for the twelve months ended December 31, 2005 include a \$423 million charge reflecting the de-designation of hedge contracts resulting from the delay of natural gas and oil production following Hurricanes Katrina and Rita, \$73 million in charges resulting from the termination of certain long-term power purchase contracts, \$21 million in net charges related to trading activities discontinued in 2004, including the Batesville long-term power-tolling contract divested in the second quarter of 2005 and other activities, \$35 million of impairment charges related to DCI assets, a \$76 million charge related to miscellaneous asset impairments, a \$28 million charge related to expenses following Hurricanes Katrina and Rita and \$5 million of charges related to other items. Excluding these items from the calculation would result in a higher ratio of earnings to fixed charges for the twelve months ended December 31, 2005.
- (f) Earnings for the twelve months ended December 31, 2004 include \$76 million of impairment charges related to Dominion's investment in and planned divestiture of DCI, a \$23 million benefit associated with the disposition of certain assets held for sale, an \$18 million benefit from the reduction of accrued expenses associated with Hurricane Isabel restoration activities, \$96 million of losses related to the discontinuance of hedge accounting for certain oil hedges and subsequent changes in the fair value of those hedges during the third quarter following Hurricane Ivan, \$71 million in charges resulting from the termination of certain long-term power purchase contracts, a \$184 million charge related to the Batesville long-term power-tolling contract divested in the second quarter of 2005, and \$22 million of charges related to net legal settlements and other items. Excluding these items from the calculation would result in a higher ratio of earnings to fixed charges for the twelve months ended December 31, 2004.
- (g) Earnings for the twelve months ended December 31, 2003 include a \$134 million impairment of DCI assets, \$28 million for severance costs related to workforce reductions, an \$84 million impairment of certain assets held for sale, \$197 million for restoration expenses related to Hurricane Isabel, a \$105 million charge related to the termination of a power purchase contract, \$64 million in charges for the restructuring and termination of certain electric sales contracts and a \$144 million charge related to our investment in Dominion Telecom including impairments, the cost of refinancing, and reallocation of equity losses. Excluding these items from the calculation would result in a higher ratio of earnings to fixed charges for the twelve months ended December 31, 2003.

**DESCRIPTION OF DEBT SECURITIES**

The term Debt Securities includes the Senior Debt Securities, Junior Subordinated Debentures and Junior Subordinated Notes. We will issue the Senior Debt Securities in one or more series under our Senior Indenture dated as of June 1, 2000 between us and The Bank of New York Mellon, successor to JPMorgan Chase Bank, N.A., (formerly known as The Chase Manhattan Bank) as Trustee, as amended and as supplemented from time to time. We will issue the Junior Subordinated Debentures in one or more series under our Junior Subordinated Indenture dated as of December 1, 1997 between us and The Bank of New York Mellon, successor to JPMorgan Chase Bank, N.A. (formerly known as The Chase Manhattan Bank), as Trustee, as supplemented from time to time. We will issue Junior Subordinated Notes in one or more series under our Junior Subordinated Notes Indenture dated as of June 1, 2006 between us and The Bank of New York Mellon, successor to JPMorgan Chase Bank, N.A. The indenture related to the Junior Subordinated Debentures is called the Subordinated Indenture in this prospectus and the indenture related to the Junior Subordinated Notes is called the Subordinated Indenture II; and together the Senior Indenture, the Subordinated Indenture and the Subordinated Indenture II are called Indentures. We have summarized selected provisions of the Indentures below. The Senior Indenture, the Subordinated Indenture and the Subordinated Indenture II have been filed as exhibits to the registration statement and you should read the Indentures for provisions that may be important to you. In the summary below, we have included references to section numbers of the Indentures so that you can easily locate these provisions. Capitalized terms used in the summary have the meanings specified in the Indentures.

**General**

The Senior Debt Securities will be our direct, unsecured obligations and will rank equally with all of our other senior and unsubordinated debt, except to the extent provided in the applicable prospectus supplement or other offering materials. The Junior Subordinated Debentures will be our unsecured obligations and are junior in right of payment to our Senior Indebtedness, as described under the caption ADDITIONAL TERMS OF THE JUNIOR SUBORDINATED DEBENTURES Subordination. The Junior Subordinated Notes will be our unsecured obligation and are junior in right of payment to our Priority Indebtedness, as described under the caption ADDITIONAL TERMS OF THE JUNIOR SUBORDINATED NOTES Subordination.

Because we are a holding company that conducts all of our operations through our subsidiaries, our ability to meet our obligations under the Debt Securities is dependent on the earnings and cash flows of those subsidiaries and the ability of those subsidiaries to pay dividends or to advance or repay funds to us. Holders of Debt Securities will generally have a junior position to claims of creditors of our subsidiaries, including trade

## **Table of Contents**

creditors, debtholders, secured creditors, taxing authorities, guarantee holders and any preferred stockholders. As of December 31, 2008, Virginia Power had approximately 2.59 million issued and outstanding shares of preferred stock with an aggregated liquidation preference of \$259 million. In addition, as of December 31, 2008, our subsidiaries had approximately \$6.4 billion in aggregate principal amount of outstanding long-term debt (including securities due within one year).

The Indentures do not limit the amount of Debt Securities that we may issue. We may issue Debt Securities from time to time under the Indentures in one or more series by entering into supplemental indentures or by our Board of Directors or duly authorized officers authorizing the issuance. A form of supplemental indenture to each of the Indentures is an exhibit to the registration statement.

The Indentures do not protect the holders of Debt Securities if we engage in a highly leveraged transaction.

### **Provisions of a Particular Series**

The Debt Securities of a series need not be issued at the same time, bear interest at the same rate or mature on the same date. Unless otherwise provided in the terms of a series, a series may be reopened, without notice to or consent of any holder of outstanding Debt Securities, for issuances of additional Debt Securities of that series. The prospectus supplement or other offering materials for a particular series of Debt Securities will describe the terms of that series, including, if applicable, some or all of the following:

the title and type of the Debt Securities;

the total principal amount of the Debt Securities;

the portion of the principal payable upon acceleration of maturity, if other than the entire principal;

the date or dates on which principal is payable or the method for determining the date or dates, and any right that we have to change the date on which principal is payable;

the interest rate or rates, if any, or the method for determining the rate or rates, and the date or dates from which interest will accrue;

any interest payment dates and the regular record date for the interest payable on each interest payment date, if any;

any payments due if the maturity of the Debt Securities is accelerated;

any optional redemption terms, or any repayment terms;

any provisions that would obligate us to repurchase or otherwise redeem the Debt Securities, or any sinking fund provisions;

the currency in which payments will be made if other than U.S. dollars, and the manner of determining the equivalent of those amounts in U.S. dollars;

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if payments may be made, at our election or at the holder's election, in a currency other than that in which the Debt Securities are stated to be payable, then the currency in which those payments may be made, the terms and conditions of the election and the manner of determining those amounts;

any index or formula used for determining principal, interest or premium, if any;

the percentage of the principal amount at which the Debt Securities will be issued, if other than 100% of the principal amount;

whether the Debt Securities will be issued in fully registered certificated form or book-entry form, represented by certificates deposited with the Trustee and registered in the name of a securities depository or its nominee (Book-Entry Debt Securities);

denominations, if other than \$1,000 each or multiples of \$1,000;

any rights that would allow us to defer or extend an interest payment date in connection with any series of Debt Securities;

## **Table of Contents**

any provisions requiring payment of principal or interest in our capital stock or with proceeds from the sale of our capital stock or from any other specific source of funds in connection with any series of Debt Securities;

in the case of Senior Debt Securities, the identity of the series trustee, if other than the trustee (*Sections 201 and 202 of the Thirty Eighth Supplemental and Amending Indenture to the Senior Indenture*);

any changes to events of defaults or covenants; and

any other terms of the Debt Securities. (*Sections 201 & 301 of the Senior Indenture; Sections 2.1 & 2.3 of the Subordinated Indenture & the Subordinated Indenture II.*)

The prospectus supplement will also indicate any special tax implications of the Debt Securities and any provisions granting special rights to holders when a specified event occurs.

## **Conversion or Redemption**

No Debt Security will be subject to conversion, amortization or redemption, unless otherwise provided in the applicable prospectus supplement or other offering materials. Any provisions relating to the conversion or redemption of Debt Securities will be set forth in the applicable prospectus supplement or other offering materials, including whether conversion is mandatory or at our option. If no redemption date or redemption price is indicated with respect to a Debt Security, we may not redeem the Debt Security prior to its stated maturity. Debt Securities subject to redemption by us will be subject to the following terms:

redeemable on and after the applicable redemption dates;

redemption dates and redemption prices fixed at the time of sale and set forth on the Debt Security; and

redeemable in whole or in part (provided that any remaining principal amount of the Debt Security will be equal to an authorized denomination) at our option at the applicable redemption price, together with interest, payable to the date of redemption, on notice given not more than 60 nor less than 20 days prior to the date of redemption. (*Section 1104 of the Senior Indenture; Section 3.2 of the Subordinated Indenture & the Subordinated Indenture II.*)

We will not be required to:

issue, register the transfer of, or exchange any Debt Securities of a series during the period beginning 15 days before the date the Debt Securities of that series are selected for redemption; or

register the transfer of, or exchange any Debt Security of that series selected for redemption except the unredeemed portion of a Debt Security being partially redeemed. (*Section 305 of the Senior Indenture; Section 2.5 of the Subordinated Indenture & the Subordinated Indenture II.*)

## **Payment and Transfer; Paying Agent**

The paying agent will pay the principal of any Debt Securities only if those Debt Securities are surrendered to it. Unless we state otherwise in the applicable prospectus supplement or other offering materials, the paying agent will pay principal, interest and premium, if any, on Debt Securities, subject to such surrender, where applicable, at its office or, at our option:

by wire transfer to an account at a banking institution in the United States that is designated in writing to the Trustee prior to the deadline set forth in the applicable prospectus supplement or other offering materials by the person entitled to that payment (which in the case of Book-Entry Debt Securities is the securities depository or its nominee); or

by check mailed to the address of the person entitled to that interest as that address appears in the security register for those Debt Securities. (*Sections 307 & 1001 of the Senior Indenture; Section 4.1 of the Subordinated Indenture & the Subordinated Indenture II.*)



## **Table of Contents**

Neither we nor the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Book-Entry Debt Security, or for maintaining, supervising or reviewing any records relating to the beneficial ownership interests. We expect that the securities depository, upon receipt of any payment of principal, interest or premium, if any, in a Book-Entry Debt Security, will credit immediately the accounts of the related participants with payment in amounts proportionate to their respective holdings in principal amount of beneficial interest in the Book-Entry Debt Security as shown on the records of the securities depository. We also expect that payments by participants to owners of beneficial interests in a Book-Entry Debt Security will be governed by standing customer instructions and customary practices, as is now the case with securities held for the accounts of customers in bearer form or registered in street name, and will be the responsibility of the participants.

Unless we state otherwise in the applicable prospectus supplement or other offering materials, the Trustee will act as paying agent for the Debt Securities, and the principal corporate trust office of the Trustee will be the office through which the paying agent acts. We may, however, change or add paying agents or approve a change in the office through which a paying agent acts. (*Section 1002 of the Senior Indenture; Section 4.4 of the Subordinated Indenture & the Subordinated Indenture II.*)

Any money that we have paid to a paying agent for principal or interest on any Debt Securities which remains unclaimed at the end of two years after that principal or interest has become due will be repaid to us at our request. After repayment to the Company, holders should look only to us for those payments. (*Section 1003 of the Senior Indenture; Section 12.4 of the Subordinated Indenture & the Subordinated Indenture II.*)

Fully registered securities may be transferred or exchanged at the corporate trust office of the Trustee or at any other office or agency we maintain for those purposes, without the payment of any service charge except for any tax or governmental charge and related expenses. (*Section 1002 of the Senior Indenture; Section 2.5 of the Subordinated Indenture & the Subordinated Indenture II.*)

## **Global Securities**

We may issue some or all of the Debt Securities as Book-Entry Debt Securities. Book-Entry Debt Securities will be represented by one or more fully registered global certificates. Book-Entry Debt Securities of like tenor and terms up to \$500,000,000 aggregate principal amount may be represented by a single global certificate. Each global certificate will be deposited with the Trustee and registered in the name of the securities depository or its nominee. Unless it is exchanged in whole or in part for Debt Securities in definitive form, a global certificate may generally be transferred only as a whole unless it is being transferred to certain nominees of the depository. (*Section 305 of the Senior Indenture; Section 2.5 of the Subordinated Indenture & the Subordinated Indenture II.*)

Unless otherwise stated in any prospectus supplement or other offering materials, The Depository Trust Company will act as the securities depository. Beneficial interests in global certificates will be shown on, and transfers of global certificates will be effected only through, records maintained by the securities depository and its participants. If there are any additional or differing terms of the depository arrangement with respect to the Book-Entry Debt Securities, we will describe them in the applicable prospectus supplement or other offering materials.

Holders of beneficial interests in Book-Entry Debt Securities represented by a global certificate are referred to as beneficial owners. Beneficial owners will be limited to institutions having accounts with the securities depository or its nominee, which are called participants in this discussion, and to persons that hold beneficial interests through participants. When a global certificate representing Book-Entry Debt Securities is issued, the securities depository will credit on its book-entry, registration and transfer system the principal amounts of Book-Entry Debt Securities the global certificate represents to the accounts of its participants.

**Table of Contents**

Ownership of beneficial interests in a global certificate will be shown only on, and the transfer of those ownership interests will be effected only through, records maintained by:

the securities depository, with respect to participants' interests; and

any participant, with respect to interests the participant holds on behalf of other persons.

As long as the securities depository or its nominee is the registered holder of a global certificate representing Book-Entry Debt Securities, that person will be considered the sole owner and holder of the global certificate and the Book-Entry Debt Securities it represents for all purposes. Except in limited circumstances, beneficial owners:

may not have the global certificate or any Book-Entry Debt Securities it represents registered in their names;

may not receive or be entitled to receive physical delivery of certificated Book-Entry Debt Securities in exchange for the global certificate; and

will not be considered the owners or holders of the global certificate or any Book-Entry Debt Securities it represents for any purposes under the Debt Securities or the Indentures. (*Section 308 of the Senior Indenture; Section 2.2 of the Subordinated Indenture & the Subordinated Indenture II.*)

We will make all payments of principal, interest and premium, if any, on a Book-Entry Debt Security to the securities depository or its nominee as the holder of the global certificate. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of securities in definitive form. These laws may impair the ability to transfer beneficial interests in a global certificate.

Payments participants make to beneficial owners holding interests through those participants will be the responsibility of those participants. The securities depository may from time to time adopt various policies and procedures governing payments, transfers, exchanges and other matters relating to beneficial interests in a global certificate. None of the following will have any responsibility or liability for any aspect of the securities depository's or any participant's records relating to beneficial interests in a global certificate representing Book-Entry Debt Securities, for payments made on account of those beneficial interests or for maintaining, supervising or reviewing any records relating to those beneficial interests:

Dominion;

the Trustee;

the Trust; or

any agent of any of the above.

**Covenants**

Under the Indentures we will:

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pay the principal, interest and premium, if any, on the Debt Securities when due;

maintain a place of payment;

deliver an officer's certificate to the Trustee at the end of each fiscal year confirming our compliance with our obligations under each of the Indentures; and

deposit sufficient funds with any paying agent on or before the due date for any principal, interest or premium, if any. (*Sections 1001, 1002, 1003 & 1006 of the Senior Indenture; Sections 4.1, 4.2, 4.4 & 4.6 of the Subordinated Indenture & the Subordinated Indenture II.*)

## **Table of Contents**

### **Consolidation, Merger or Sale**

The Indentures provide that we may consolidate or merge with or into, or sell all or substantially all of our properties and assets to, another corporation or other entity, provided that any successor assumes our obligations under the Indentures and the Debt Securities issued under the Indentures. We must also deliver an opinion of counsel to the Trustee affirming our compliance with all conditions in the applicable Indenture relating to the transaction. When the conditions are satisfied, the successor will succeed to and be substituted for us under the applicable Indenture, and, in the case of a sale of all or substantially all of our assets, we will be relieved of our obligations under the applicable Indenture and the Debt Securities issued under it. (*Sections 801 & 802 of the Senior Indenture; Sections 11.1, 11.2 & 11.3 of the Subordinated Indenture & the Subordinated Indenture II.*)

### **Events of Default**

Event of Default when used in each of the Indentures, will mean any of the following with respect to Debt Securities of any series:

failure to pay the principal or any premium on any Debt Security when due;

with respect to the Senior Debt Securities, failure to deposit any sinking fund payment for that series when due that continues for 60 days;

failure to pay any interest on any Debt Securities of that series, when due, that continues for 60 days (or for 30 days in the case of any Junior Subordinated Debentures or Junior Subordinated Notes, as applicable); provided that, if applicable, for this purpose, the date on which interest is due is the date on which we are required to make payment following any deferral of interest payments by us under the terms of the applicable series of Debt Securities that permit such deferrals;

failure to perform any other covenant in the Indentures (other than a covenant expressly included solely for the benefit of other series) that continues for 90 days after the Trustee or the holders of at least 33% of the outstanding Debt Securities (25% in the case of the Junior Subordinated Debentures or Junior Subordinated Notes, as applicable) of that series give written notice of the default;

certain events in bankruptcy, insolvency or reorganization of Dominion; or

any other Event of Default included in the Indentures or any supplemental indenture. (*Section 501 of the Senior Indenture; Section 6.1 of the Subordinated Indenture & the Subordinated Indenture II.*)

In the case of a general covenant default described above, the Trustee may extend the grace period. In addition, if holders of a particular series have given a notice of default, then holders of at least the same percentage of Debt Securities of that series, together with the Trustee, may also extend the grace period. The grace period will be automatically extended if we have initiated and are diligently pursuing corrective action.

An Event of Default for a particular series of Debt Securities does not necessarily constitute an Event of Default for any other series of Debt Securities issued under the Indentures. Additional events of default may be established for a particular series and, if established, will be described in the applicable prospectus supplement or other offering materials.

If an Event of Default for any series of Debt Securities occurs and continues, the Trustee or the holders of at least 33% (25%, in the case of the Junior Subordinated Debentures or Junior Subordinated Notes, as applicable) in aggregate principal amount of the Debt Securities of the series may declare the entire principal of all the Debt Securities of that series to be due and payable immediately. If this happens, subject to certain conditions, the holders of a majority of the aggregate principal amount of the Debt Securities of that series can void the declaration. (*Section 502 of the Senior Indenture; Section 6.1 of the Subordinated Indenture & the Subordinated Indenture II.*)



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## **Table of Contents**

The Trustee may withhold notice to the holders of Debt Securities of any default (except in the payment of principal or interest) if it considers the withholding of notice to be in the best interests of the holders. Other than its duties in case of a default, a Trustee is not obligated to exercise any of its rights or powers under the Indentures at the request, order or direction of any holders, unless the holders offer the Trustee reasonable indemnity. If they provide this reasonable indemnification, the holders of a majority in principal amount of any series of Debt Securities may direct the time, method and place of conducting any proceeding or any remedy available to the Trustee, or exercising any power conferred upon the Trustee, for any series of Debt Securities. However, the Trustee must give the holders of Debt Securities notice of any default to the extent provided by the Trust Indenture Act. (*Sections 512, 601, 602 & 603 of the Senior Indenture; Sections 6.6, 6.7, 7.1 & 7.2 of the Subordinated Indenture & the Subordinated Indenture II.*)

The holder of any Debt Security will have an absolute and unconditional right to receive payment of the principal, any premium and, within certain limitations, any interest on that Debt Security on its maturity date or redemption date and to enforce those payments. (*Section 508 of the Senior Indenture; Section 14.2 of the Subordinated Indenture & the Subordinated Indenture II.*)

### **Option to Extend Interest Payment Period**

If elected in the applicable supplemental indenture, we may defer interest payments by extending the interest payment period for the number of consecutive extension periods specified in the applicable prospectus supplement or other offering materials (each, an Extension Period). Other details regarding the Extension Period will also be specified in the applicable prospectus supplement or other offering materials. No Extension Period may extend beyond the maturity of the applicable series of Debt Securities. At the end of the Extension Period(s), we will pay all interest then accrued and unpaid, together with interest compounded quarterly at the interest rate for the applicable series of Debt Securities, to the extent permitted by applicable law. (*Section 2.10 of the Subordinated Indenture & the Subordinated Indenture II.*)

During any Extension Period, except as otherwise provided in the applicable supplemental indenture, we will not make distributions related to our capital stock, including dividends, redemptions, repurchases, liquidation payments, or guarantee payments. Also we will not make any payments on, redeem or repurchase any debt securities of equal or junior rank to the applicable series of Debt Securities or make any guarantee payments on any such Debt Securities. We may, however, make the following types of distributions and any other types of distributions specified in the applicable supplemental indenture:

dividends paid in common stock;

dividends in connection with the implementation of a shareholder rights plan;

payments to a trust holding securities of the same series under a guarantee; or

repurchases, redemptions or other acquisitions of shares of our capital stock in connection with any employment contract, benefit plan or other similar arrangement with or for the benefit of employees, officers, directors or consultants. (*Section 4.9 of the Subordinated Indenture & the Subordinated Indenture II.*)

### **Additional Covenants Applicable to Junior Subordinated Debentures and Junior Subordinated Notes if Issued to the Trust**

Under the Subordinated Indenture or Subordinated Indenture II, if Junior Subordinated Debentures or Junior Subordinated Notes, as applicable, are issued to the Trust, we will:

maintain 100% ownership of the common securities of the Trust to which the Junior Subordinated Debentures or Junior Subordinated Notes, as applicable, have been issued while that series of the Junior Subordinated Debentures or Junior Subordinated Notes, as applicable, remains outstanding; and

**Table of Contents**

pay to the Trust to which the Junior Subordinated Debentures or Junior Subordinated Notes, as applicable, have been issued any taxes, duties, assessments or governmental charges of whatever nature (other than withholding taxes) imposed by the United States or any other taxing authority on the Trust, so that the net amounts received and retained by the Trust (after paying any taxes, duties, assessments or other governmental charges) will be not less than the Trust would have received had no such taxes, duties, assessments or other governmental charges been imposed. (*Sections 4.8 & 4.9 of the Subordinated Indenture & the Subordinated Indenture II.*)

**Satisfaction; Discharge**

We may discharge all our obligations (except those described below) to holders of the Debt Securities issued under the Indentures, which Debt Securities have not already been delivered to the Trustee for cancellation and which either have become due and payable or are by their terms due and payable within one year, or are to be called for redemption within one year, by depositing with the Trustee an amount certified to be sufficient to pay when due the principal, interest and premium, if any, on all outstanding Debt Securities. However, certain of our obligations under the Indentures will survive, including with respect to the following:

remaining rights to register the transfer, conversion, substitution or exchange of Debt Securities of the applicable series;

rights of holders to receive payments of principal of, and any interest on, the Debt Securities of the applicable series, and other rights, duties and obligations of the holders of Debt Securities with respect to any amounts deposited with the Trustee; and

the rights, obligations and immunities of the Trustee under the Indentures. (*Section 401 of the Senior Indenture; Section 12.1 of the Subordinated Indenture & the Subordinated Indenture II.*)

Under federal income tax law as in effect as of the date of this prospectus, a discharge may be treated as an exchange of the related Debt Securities. Each holder might be required to recognize gain or loss equal to the difference between the holder's cost or other tax basis for the Debt Securities and the value of the holder's interest in the defeasance trust. Holders might be required to include as income a different amount than would be includable without the discharge. We urge prospective investors to consult their own tax advisers as to the consequences of a discharge, including the applicability and effect of tax laws other than the federal income tax law.

**Defeasance**

Unless we elect differently in the applicable supplemental indenture, we will be discharged from our obligations on the Senior Debt Securities or Junior Subordinated Notes of any series, as applicable, at any time if we deposit with the Trustee sufficient cash or government securities to pay the principal, interest, any premium and any other sums due to the stated maturity date or a redemption date of the Senior Debt Securities and Junior Subordinated Notes of the series. If this happens, the holders of the Senior Debt Securities or Junior Subordinated Notes of the series, as applicable, will not be entitled to the benefits of either the Senior Indenture or the Subordinated Indenture II, as applicable, except for registration of transfer and exchange of Senior Debt Securities or Junior Subordinated Notes, as applicable, and replacement of lost, stolen or mutilated Senior Debt Securities or Junior Subordinated Notes, as applicable. (*Section 402 of the Senior Indenture; Section 12.5 of the Subordinated Indenture II.*)

Under federal income tax law as in effect as of the date of this prospectus, a discharge may be treated as an exchange of the related Senior Debt Securities or Junior Subordinated Notes, as applicable. Each holder might be required to recognize gain or loss equal to the difference between the holder's cost or other tax basis for the Senior Debt Securities or Junior Subordinated Notes, as applicable, and the value of the holder's interest in the defeasance trust. Holders might be required to include as income a different amount than would be includable

## **Table of Contents**

without the discharge. We urge prospective investors to consult their own tax advisers as to the consequences of a discharge, including the applicability and effect of tax laws other than the federal income tax law.

### **Modification of Indentures; Waiver**

Under the Indentures our rights and obligations and the rights of the holders may be modified with the consent of the holders of a majority in aggregate principal amount of the outstanding Debt Securities of each series affected by the modification. No modification of the principal or interest payment terms, and no modification reducing the percentage required for modifications, is effective against any holder without its consent. (*Section 902 of the Senior Indenture; Section 10.2 of the Subordinated Indenture & the Subordinated Indenture II.*) In addition, we may supplement the Indentures to create new series of Debt Securities and for certain other purposes, without the consent of any holders of Debt Securities. (*Section 901 of the Senior Indenture; Section 10.1 of the Subordinated Indenture & the Subordinated Indenture II.*)

The holders of a majority of the outstanding Debt Securities of all series under the applicable Indenture with respect to which a default has occurred and is continuing may waive a default for all those series, except a default in the payment of principal or interest, or any premium, on any Debt Securities or a default with respect to a covenant or provision which cannot be amended or modified without the consent of the holder of each outstanding Debt Security of the series affected. (*Section 513 of the Senior Indenture; Section 6.6 of the Subordinated Indenture & the Subordinated Indenture II.*)

In addition, under certain circumstances, the holders of a majority of the outstanding Junior Subordinated Debentures or Junior Subordinated Notes of any series, as applicable, may waive in advance, for that series, our compliance with certain restrictive provisions of the Subordinated Indenture or the Subordinated Indenture II under which those Junior Subordinated Debentures or Junior Subordinated Notes, as applicable, were issued. (*Section 4.7 of the Subordinated Indenture & the Subordinated Indenture II.*)

### **Concerning the Trustee**

The Bank of New York Mellon, successor to JPMorgan Chase Bank, N.A., is the Trustee under the Indentures. An affiliate of The Bank of New York Mellon is also the Delaware Trustee of the Trust. We and certain of our affiliates maintain deposit accounts and banking relationships with The Bank of New York Mellon. The Bank of New York Mellon also serves as trustee under other indentures pursuant to which securities of ours and of certain of our affiliates are outstanding. Affiliates of The Bank of New York Mellon have purchased, and are likely to purchase in the future, our securities and securities of our affiliates.

The Trustee will perform only those duties that are specifically described in the Indentures unless an event of default under an Indenture occurs and is continuing. The Trustee is under no obligation to exercise any of its powers under the Indentures at the request of any holder of Debt Securities unless that holder offers reasonable indemnity to the Trustee against the costs, expenses and liabilities which it might incur as a result. (*Section 601 of the Senior Indenture; Section 7.1 of the Subordinated Indenture & the Subordinated Indenture II.*)

The Senior Indenture permits us to name a different trustee for individual series of Senior Debt Securities. If named, a series trustee performs the duties that would otherwise be performed by the Trustee under the Senior Indenture with respect to that series. In these circumstances, the Trustee under the Senior Indenture has no responsibility with respect to that series.

The Trustee administers its corporate trust business at 101 Barclay Street, 8W ATTN: Global Trust Administration, New York, New York 10286.



## **Table of Contents**

### **ADDITIONAL TERMS OF THE SENIOR DEBT SECURITIES**

#### **Repayment at the Option of the Holder; Repurchases by Dominion**

We must repay the Senior Debt Securities at the option of the holders prior to the Stated Maturity Date only if specified in the applicable prospectus supplement or other offering materials. Unless otherwise provided in the prospectus supplement or other offering materials, the Senior Debt Securities subject to repayment at the option of the holder will be subject to repayment:

on the specified Repayment Dates; and

at a repayment price equal to 100% of the unpaid principal amount to be repaid, together with unpaid interest accrued to the Repayment Date. (*Section 1302 of the Senior Indenture.*)

For any Senior Debt Security to be repaid, the Trustee must receive, at its office maintained for that purpose in the Borough of Manhattan, New York City not more than 60 nor less than 30 calendar days prior to the date of repayment:

in the case of a certificated Senior Debt Security, the certificated Senior Debt Security and the form in the Senior Debt Security entitled Option of Holder to Elect Purchase duly completed; or

in the case of a book-entry Senior Debt Security, instructions to that effect from the beneficial owner to the securities depository and forwarded by the securities depository. Exercise of the repayment option by the holder will be irrevocable. (*Section 1303 of the Senior Indenture.*)

Only the securities depository may exercise the repayment option in respect of beneficial interests in the book-entry Senior Debt Securities. Accordingly, beneficial owners that desire repayment in respect of all or any portion of their beneficial interests must instruct the participants through which they own their interests to direct the securities depository to exercise the repayment option on their behalf. All instructions given to participants from beneficial owners relating to the option to elect repayment will be irrevocable. In addition, at the time the instructions are given, each beneficial owner will cause the participant through which it owns its interest to transfer its interest in the book-entry Senior Debt Securities or the global certificate representing the related book-entry Senior Debt Securities, on the securities depository's records, to the Trustee. See DESCRIPTION OF DEBT SECURITIES Global Securities.

### **ADDITIONAL TERMS OF THE JUNIOR SUBORDINATED DEBENTURES**

#### **Subordination**

Each series of Junior Subordinated Debentures will be subordinate and junior in right of payment, to the extent set forth in the Subordinated Indenture, to all Senior Indebtedness as defined below. If:

we make a payment or distribution of any of our assets to creditors upon our dissolution, winding-up, liquidation or reorganization, whether in bankruptcy, insolvency or otherwise;

a default beyond any grace period has occurred and is continuing with respect to the payment of principal, interest or any other monetary amounts due and payable on any Senior Indebtedness; or

the maturity of any Senior Indebtedness has been accelerated because of a default on that Senior Indebtedness;

then the holders of Senior Indebtedness generally will have the right to receive payment, in the case of the first instance, of all amounts due or to become due upon that Senior Indebtedness, and, in the case of the second and third instances, of all amounts due on that Senior Indebtedness, or we will make provision for those payments, before the holders of any Junior Subordinated Debentures have the right to receive any payments of principal or interest on their Junior Subordinated Debentures. (*Sections 14.1 & 14.9 of the Subordinated Indenture.*)

## **Table of Contents**

Senior Indebtedness means, with respect to any series of Junior Subordinated Debentures, the principal, premium, interest and any other payment in respect of any of the following, unless otherwise specified in the prospectus supplement or offering materials:

all of our current and future indebtedness for borrowed or purchased money or other similar instruments whether or not evidenced by notes, debentures, bonds or other written instruments;

our obligations for reimbursement under letters of credit, bankers' acceptances, security purchase facilities or similar facilities issued for our account;

any of our other indebtedness or obligations with respect to derivative contracts, including commodity contracts, interest rate, commodity and currency swap agreements, forward contracts and other similar agreements or arrangements; and

all indebtedness of others of the kinds described in the preceding categories which we have assumed or guaranteed.

Senior Indebtedness will not include our obligations to trade creditors or indebtedness to our subsidiaries. (*Section 1.1 of the Subordinated Indenture.*)

Senior Indebtedness will be entitled to the benefits of the subordination provisions in the Subordinated Indenture irrespective of the amendment, modification or waiver of any term of the Senior Indebtedness. We may not amend the Subordinated Indenture to change the subordination of any outstanding Junior Subordinated Debentures without the consent of each holder of Senior Indebtedness that the amendment would adversely affect. (*Sections 10.2 & 14.7 of the Subordinated Indenture.*)

The Subordinated Indenture does not limit the amount of Senior Indebtedness that we may issue.

## **ADDITIONAL TERMS OF THE JUNIOR SUBORDINATED NOTES**

### **Subordination**

Each series of Junior Subordinated Notes will be subordinate and junior in right of payment, to the extent set forth in the Subordinated Indenture II, to all Priority Indebtedness as defined below. If:

we make a payment or distribution of any of our assets to creditors upon our dissolution, winding-up, liquidation or reorganization, whether in bankruptcy, insolvency or otherwise;

a default beyond any grace period has occurred and is continuing with respect to the payment of principal, interest or any other monetary amounts due and payable on any Priority Indebtedness; or

the maturity of any Priority Indebtedness has been accelerated because of a default on that Priority Indebtedness unless otherwise specified in the prospectus supplement or offering materials;

then the holders of Priority Indebtedness generally will have the right to receive payment, in the case of the first instance, of all amounts due or to become due upon that Priority Indebtedness, and, in the case of the second and third instances, of all amounts due on that Priority Indebtedness, or we will make provision for those payments, before the holders of any Junior Subordinated Notes have the right to receive any payments of principal or interest on their Junior Subordinated Notes. (*Sections 14.1 & 14.9 of the Subordinated Indenture II.*)

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Priority Indebtedness means, with respect to any series of Junior Subordinated Notes, the principal, premium, interest and any other payment in respect of any of the following:

all of our current and future indebtedness for borrowed or purchase money whether or not evidenced by notes, debentures, bonds or other similar written instruments;

our obligations under synthetic leases, finance leases and capitalized leases;

our obligations for reimbursement under letters of credit, bankers acceptances, security purchase facilities or similar facilities issued for our account;

## **Table of Contents**

any of our other indebtedness or obligations with respect to derivative contracts, including commodity contracts, interest rate, commodity and currency swap agreements, forward contracts and other similar agreements or arrangements; and

all indebtedness of others of the kinds described in the preceding categories which we have assumed or guaranteed.

Priority Indebtedness will not include trade accounts payable, accrued liabilities arising in the ordinary course of business or indebtedness to our subsidiaries. *(Section 1.1 of the Subordinated Indenture II.)*

Priority Indebtedness will be entitled to the benefits of the subordination provisions in the Subordinated Indenture II irrespective of the amendment, modification or waiver of any term of the Priority Indebtedness. We may not amend the Subordinated Indenture II to change the subordination of any outstanding Priority Indebtedness without the consent of each holder of Priority Indebtedness that the amendment would adversely affect. *(Sections 10.2 & 14.7 of the Subordinated Indenture II.)*

The Subordinated Indenture II does not limit the amount of Priority Indebtedness that we may issue.

## **DESCRIPTION OF THE TRUST PREFERRED SECURITIES**

The following is a summary of the principal terms of the Trust Preferred Securities. The form of amended trust agreement is filed as an exhibit to the registration statement of which this prospectus forms a part, or is incorporated by reference. The terms of the Trust Preferred Securities will include those stated in the amended trust agreement and those made part of the amended trust agreement by the Trust Indenture Act.

### **General**

The Trust will exist until terminated as provided in its amended trust agreement. Except under certain circumstances, we will be entitled to appoint, remove or replace trustees, who will conduct the business and affairs of the Trust. The trustees of the Trust will consist of:

two employees, officers or affiliates of the Company as Administrative Trustees;

a financial institution unaffiliated with us that will act as property trustee and as indenture trustee for purposes of the Trust Indenture Act, under the terms set forth in a prospectus supplement (the Property Trustee); and

one trustee with its principal place of business or who resides in the State of Delaware and who will act under the terms set forth in a prospectus supplement or other offering materials. *(Sections 6.1 through 6.5 of the Amended Trust Agreement.)*

The amended trust agreement will authorize the Administrative Trustees to issue, on behalf of the Trust, two classes of trust securities, Trust Preferred Securities and trust common securities, each of which will have the terms described in this prospectus and in the prospectus supplement or other offering materials. We will own all of the trust common securities. The trust common securities will rank equally in right of payment, and payments will be made on the trust common securities, proportionately with the Trust Preferred Securities. However, if an event of default occurs and is continuing under the amended trust agreement, the rights of the holders of the trust common securities to payment for distributions and payments upon liquidation, redemption and otherwise, will be subordinated to the rights of the holders of the Trust Preferred Securities. We will acquire, directly or indirectly, trust common securities in an amount that may be advisable in light of interpretations of tax or accounting rules and regulations. *(Sections 3.6, 5.1, 5.2 & 7.1 of the Amended Trust Agreement.)*

The proceeds from the sale of the Trust Preferred Securities will be used by the Trust to purchase a series of our Debt Securities, as specified in the applicable prospectus supplement or other offering materials. The applicable series of Debt Securities will be held in trust by the Property Trustee for the benefit of the holders of

## **Table of Contents**

the trust securities. We will guarantee the payments of distributions and payments on redemption or liquidation with respect to the Trust Preferred Securities, but only to the extent the Trust has funds available to make those payments and has not made the payments. See DESCRIPTION OF THE GUARANTEE.

Unless otherwise provided in the applicable prospectus supplement or other offering materials, the assets of the Trust available for distribution to the holders of Trust Preferred Securities will be limited to payments from us under the applicable series of Debt Securities held by the Trust. If we fail to make a payment on the applicable series of Debt Securities the Trust will not have sufficient funds to make related payments, including distributions, on its Trust Preferred Securities.

The Guarantee, when taken together with our obligations under the applicable indenture and the amended trust agreement, will provide a full and unconditional guarantee of amounts due on the Trust Preferred Securities issued by the Trust.

The Trust Preferred Securities will have the terms, including distributions, redemption, voting, liquidation rights and other preferred, deferred or other special rights or restrictions that will be described in the amended trust agreement or made part of the amended trust agreement by the Trust Indenture Act or the Delaware Statutory Trust Act. Holders of Trust Preferred Securities have no preemptive or similar rights. (*Section 7.1 of the Amended Trust Agreement.*)

### **Provisions of a Particular Series**

The Trust may issue only one series of Trust Preferred Securities. The applicable prospectus supplement or other offering materials will set forth the principal terms of the Trust Preferred Securities that will be offered, including:

the name of the Trust Preferred Securities;

the liquidation amount and number of Trust Preferred Securities issued;

the annual distribution rate(s) or method of determining such rate(s), the payment date(s) and the record dates used to determine the holders who are to receive distributions;

the date from which distributions will be cumulative;

the optional redemption provisions, if any, including the prices, time periods and other terms and conditions on which the Trust Preferred Securities will be purchased or redeemed, in whole or in part;

the terms and conditions, if any, upon which the applicable series of Debt Securities and the related Guarantee may be distributed to holders of those Trust Preferred Securities;

any securities exchange on which the Trust Preferred Securities will be listed;

whether the Trust Preferred Securities are to be issued in book-entry form and represented by one or more global certificates, and if so, the depositary for those global certificates and the specific terms of the depositary arrangements; and

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any other relevant rights, preferences, privileges, limitations or restrictions of the Trust Preferred Securities. (*Article 7 of the Amended Trust Agreement.*)

The interest rate and interest and other payment dates of each applicable series of Debt Securities issued to a Trust will correspond to the rate at which distributions will be paid and the distribution and other payment dates of the Trust Preferred Securities of the Trust.

### **Extensions**

We have the right under the Indentures, if specified in the applicable supplemental indenture, to defer payments of interest on the applicable series of Debt Securities by extending the interest payment period from

## **Table of Contents**

time to time. The Administrative Trustees will give the holders of the Trust Preferred Securities notice of any Extension Period upon their receipt of notice from us. If distributions are deferred, the deferred distributions and accrued interest will be paid to holders of record of the Trust Preferred Securities as they appear on the books and records of the Trust on the record date next following the termination of such deferral period. See DESCRIPTION OF DEBT SECURITIES Option to Extend Interest Payment Period.

### **Distributions**

Distributions on the Trust Preferred Securities will be made on the dates payable to the extent that the Trust has funds available for the payment of distributions in the Property Account held by the Property Trustee. Unless otherwise provided in the applicable prospectus supplement or other offering materials, the Trust's funds available for distribution to the holders of the trust securities will be substantially limited to payments received from us on the applicable series of Debt Securities. We have guaranteed the payment of distributions out of monies held by the Trust to the extent set forth under DESCRIPTION OF THE GUARANTEE.

Distributions on the Trust Preferred Securities will be payable to the holders named on the securities register of the Trust at the close of business on the record dates, which, as long as the Trust Preferred Securities remain in book-entry only form, will be one business day prior to the relevant payment dates. Distributions will be paid through the Property Trustee who will hold amounts received in respect of the applicable series of Debt Securities, in the Property Account for the benefit of the holders of the trust securities. If the Trust Preferred Securities do not continue to remain in book-entry only form, the relevant record dates will conform to the rules of any securities exchange on which the Trust Preferred Securities are listed and, if none, the Administrative Trustees will have the right to select relevant record dates, which will be more than 14 days but less than 60 days prior to the relevant payment dates. If any date on which distributions are to be made on the Trust Preferred Securities is not a business day, then payment of the distributions payable on that date will be made on the next succeeding day which is a business day and without any interest or other payment in respect of that delay, except that, if that business day is in the next succeeding calendar year, the payment will be made on the immediately preceding business day, in each case with the same force and effect as if made on the payment date. (*Section 7.2 of the Amended Trust Agreement.*)

### **Mandatory Redemption of Trust Preferred Securities**

The Trust Preferred Securities have no stated maturity date, but will be redeemed upon the maturity of the applicable series of Debt Securities or to the extent the applicable series of Debt Securities are redeemed prior to maturity. The applicable series of Debt Securities will mature on the date specified in the applicable prospectus supplement or other offering materials and may be redeemed at any time, in whole but not in part, in certain circumstances upon the occurrence of a Tax Event or an Investment Company Event as described under Special Event Redemption.

Upon the maturity of the applicable series of Debt Securities the proceeds of their repayment will simultaneously be applied to redeem all the outstanding trust securities at the Redemption Price. Upon the redemption of the applicable series of Debt Securities, either at our option or as a result of a Tax Event or an Investment Company Event, the proceeds from the redemption will simultaneously be applied to redeem trust securities having a total liquidation amount equal to the total principal amount of the applicable series of Debt Securities so redeemed at the redemption price; provided, that holders of trust securities will be given not less than 20 nor more than 60 days' notice of the redemption. If fewer than all of the outstanding trust securities are to be redeemed, the trust securities will be redeemed proportionately. (*Section 7.3 of the Amended Trust Agreement.*)

### **Special Event Redemption**

Both a Tax Event and an Investment Company Act Event constitute Special Events for purposes of the redemption provisions described in the preceding section.



## **Table of Contents**

A Tax Event means that the Administrative Trustees have received an opinion of independent tax counsel experienced in those matters to the effect that, as a result of any amendment to, change or announced proposed change in:

the laws or regulations of the United States or any of its political subdivisions or taxing authorities, or

any official administrative pronouncement, action or judicial decision interpreting or applying those laws or regulations, which amendment or change becomes effective or proposed change, pronouncement, action or decision is announced on or after the date the Trust Preferred Securities are issued and sold, there is more than an insubstantial risk that:

the Trust is or within 90 days would be subject to U.S. federal income tax with respect to income accrued or received on the applicable series of Debt Securities,

interest payable to the Trust on the applicable series of Debt Securities is not or within 90 days would not be deductible, in whole or in part, by us for U.S. federal income tax purposes, or

the Trust is or within 90 days would be subject to a material amount of other taxes, duties or other governmental charges.

An Investment Company Event means that the Administrative Trustees have received an opinion of a nationally recognized independent counsel to the effect that, as a result of an amendment to or change in the Investment Company Act or regulations thereunder on or after the date the Trust Preferred Securities are issued and sold, there is more than an insubstantial risk that the Trust is or will be considered an investment company and be required to be registered under the Investment Company Act. (*Section 1.1 of the Amended Trust Agreement.*)

## **Redemption Procedures**

The Trust may not redeem fewer than all the outstanding trust securities unless all accrued and unpaid distributions have been paid on all trust securities for all distribution periods terminating on or before the date of redemption. If fewer than all of the outstanding trust securities are to be redeemed, the trust securities will be redeemed proportionately.

If the Trust gives a notice of redemption in respect of the trust securities (which notice will be irrevocable), and if we have paid to the Property Trustee a sufficient amount of cash in connection with the related redemption or maturity of the applicable series of Debt Securities then, by 12:00 noon, New York City time, on the redemption date, the Property Trustee will irrevocably deposit with the depository funds sufficient to pay the applicable redemption price and will give the depository irrevocable instructions and authority to pay the redemption price to the holders of the Trust Preferred Securities, and the paying agent will pay the applicable redemption price to the holders of the trust common securities. If notice of redemption has been given and funds deposited as required, then, immediately prior to the close of business on the date of the deposit, distributions will cease to accrue and all rights of holders of Trust Preferred Securities called for redemption will cease, except the right of the holders of the Trust Preferred Securities to receive the redemption price but without interest on the redemption price. In the event that any date fixed for redemption of Trust Preferred Securities is not a business day, then payment of the redemption price payable on that date will be made on the next succeeding day that is a business day, without any interest or other payment in respect of any such delay, except that, if that business day falls in the next calendar year, payment will be made on the immediately preceding business day. In the event that payment of the redemption price in respect of Trust Preferred Securities is improperly withheld or refused and not paid either directly by the Trust or under the Guarantee, distributions on the Trust Preferred Securities will continue to accrue at the then applicable rate from the original redemption date to the date of payment, in which case the actual payment date will be considered the date fixed for redemption for purposes of calculating the redemption price.

## **Table of Contents**

Subject to the foregoing and applicable law, including, without limitation, U.S. federal securities laws, we or our subsidiaries may at any time, and from time to time, purchase outstanding Trust Preferred Securities by tender, in the open market or by private agreement. (*Section 7.4 of the Amended Trust Agreement.*)

### **Conversion or Exchange Rights**

The terms on which the Trust Preferred Securities are convertible into or exchangeable for common stock or our other securities will be contained in the applicable prospectus supplement or other offering materials. Those terms will include provisions as to whether conversion or exchange is mandatory, at the option of the holder or at our option, and may include provisions under which the number of shares of common stock or our other securities to be received by the holders of Trust Preferred Securities would be subject to adjustment.

### **Distribution of the Applicable Series of Debt Securities**

We will have the right at any time to dissolve the Trust and, after satisfaction of the liabilities of creditors of the Trust as provided by applicable law, to cause the applicable series of Debt Securities to be distributed to the holders of the Trust Preferred Securities in a total stated principal amount equal to the total stated liquidation amount of the Trust Preferred Securities then outstanding. Prior to any such dissolution, we will obtain any required regulatory approvals. The right to dissolve the trust and distribute the applicable series of Debt Securities will be conditioned on our receipt of an opinion rendered by an independent tax counsel that the distribution would not result in the recognition of gain or loss for federal income tax purposes by the holders. (*Section 8.1 of the Amended Trust Agreement.*)

### **Liquidation Distribution Upon Dissolution**

The amended trust agreement will state that the Trust will be dissolved:

upon our bankruptcy;

upon the filing of a certificate of dissolution or its equivalent with respect to us;

after obtaining the consent of at least a majority in liquidation amount of the Trust Preferred Securities, voting together as a single class;

90 days after the revocation of our charter, but only if the charter is not reinstated during that 90-day period;

upon the distribution of the applicable series of Debt Securities directly to the holders of the trust securities;

upon the redemption of all of the trust securities; or

upon entry of a court order for the dissolution of us or the Trust. (*Section 8.1 of the Amended Trust Agreement.*)

In the event of a dissolution, after the Trust pays all amounts owed to creditors, the holders of the Trust Preferred Securities will be entitled to receive:

cash equal to the total liquidation amount of the Trust Preferred Securities specified in an accompanying prospectus supplement or other offering materials, plus accumulated and unpaid distributions to the date of payment, or

the applicable series of Debt Securities, in a total principal amount equal to the total liquidation amount of the Trust Preferred Securities.

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**Table of Contents**

If the Trust cannot pay the full amount due on its trust securities because insufficient assets are available for payment, then the amounts payable by the Trust on its trust securities will be paid proportionately. However, if an event of default under the related amended trust agreement occurs, the total amounts due on the Trust Preferred Securities will be paid before any distribution on the trust common securities. Under certain circumstances involving the dissolution of the Trust, subject to obtaining any required regulatory approval, the applicable series of Debt Securities held by the Trust will be distributed to the holders of the trust securities in liquidation of the Trust. (*Section 8.2 of the Amended Trust Agreement.*)

**Trust Enforcement Events**

An event of default under the applicable indenture relating to the applicable series of Debt Securities held by the Trust will be an event of default under the amended trust agreement (a Trust Enforcement Event). See DESCRIPTION OF DEBT SECURITIES Events of Default.

In addition, the voluntary or involuntary dissolution, winding up or termination of the Trust is also a Trust Enforcement Event, except in connection with:

the distribution of the applicable series of Debt Securities to holders of the trust securities of the Trust,

the redemption of all of the trust securities of the Trust, and

mergers, consolidations or amalgamations of the Trust permitted by the amended trust agreement.

Under the amended trust agreement, the holder of the trust common securities will be deemed to have waived any Trust Enforcement Event with respect to the trust common securities until all Trust Enforcement Events with respect to the Trust Preferred Securities have been cured, waived or otherwise eliminated. Until all Trust Enforcement Events with respect to the Trust Preferred Securities have been so cured, waived or otherwise eliminated, the Property Trustee will be deemed to be acting solely on behalf of the holders of the Trust Preferred Securities and only the holders of the Trust Preferred Securities will have the right to direct the Property Trustee with respect to certain matters under the amended trust agreement and the applicable indenture. If any Trust Enforcement Event with respect to the Trust Preferred Securities is waived by the holders of the Trust Preferred Securities as provided in the amended trust agreement, under the amended trust agreement the holders of trust common securities have agreed that the waiver also constitutes a waiver of the Trust Enforcement Event with respect to the trust common securities for all purposes under the amended trust agreement without any further act, vote or consent of the holders of trust common securities. (*Section 2.6 of the Amended Trust Agreement.*)

We and the Administrative Trustees must file annually with the Property Trustee a certificate evidencing compliance with all the applicable conditions and covenants under the amended trust agreement. (*Section 2.4 of the Amended Trust Agreement.*)

Upon the occurrence of a Trust Enforcement Event, the Property Trustee, as the sole holder of the applicable series of Debt Securities, will have the right under the applicable indenture to declare the principal of, interest and premium, if any, on the applicable series of Debt Securities to be immediately due and payable.

If a Property Trustee fails to enforce its rights under the amended trust agreement or the applicable indenture to the fullest extent permitted by law and subject to the terms of the amended trust agreement or the applicable indenture, any holder of Trust Preferred Securities may sue us, or seek other remedies, to enforce the Property Trustee's rights under the amended trust agreement or the applicable indenture, without first instituting a legal proceeding against the Property Trustee or any other person. If a Trust Enforcement Event occurs and is continuing as a result of our failure to pay principal of or interest or premium, if any, on the applicable series of Debt Securities when payable, then a holder of the Trust Preferred Securities may directly sue us or seek other remedies, to collect its proportionate share of payments owned. See RELATIONSHIP AMONG THE TRUST PREFERRED SECURITIES, THE GUARANTEE AND THE APPLICABLE SERIES OF DEBT SECURITIES HELD BY THE TRUST.

## **Table of Contents**

### **Removal and Replacement of Trustees**

Only the holders of trust common securities have the right to remove or replace the trustees of the Trust, except that while an event of default in respect of the applicable series of Debt Securities has occurred or is continuing, the holders of a majority of the Trust Preferred Securities will have this right. The resignation or removal of any trustee and the appointment of a successor trustee will be effective only on the acceptance of appointment by the successor trustee in accordance with the provisions of the amended trust agreement. (*Section 6.6 of the Amended Trust Agreement.*)

### **Mergers, Consolidations or Amalgamations of the Trust**

The Trust may not consolidate, amalgamate, merge with or into, or be replaced by or convey, transfer or lease its properties and assets substantially as an entirety to any other entity (each, a Merger Event), except as described below. The Trust may, with the consent of a majority of its Administrative Trustees and without the consent of the holders of its trust securities, consolidate, amalgamate, merge with or into, or be replaced by another trust, provided that:

the successor entity either

assumes all of the obligations of the Trust relating to its trust securities or

substitutes other securities for the trust securities that are substantially similar to the trust securities, so long as the successor securities rank the same as the trust securities for distributions and payments upon liquidation, redemption and otherwise;

we acknowledge a trustee of the successor entity who has the same powers and duties as the Property Trustee of the Trust, as the holder of the applicable series of Debt Securities;

if listed, the Trust Preferred Securities are listed, or any successor securities will be listed, upon notice of issuance, on the same securities exchange or other organization that the Trust Preferred Securities are then listed;

the Merger Event does not cause the Trust Preferred Securities or successor securities to be downgraded by any nationally recognized rating agency;

the Merger Event does not adversely affect the rights, preferences and privileges of the holders of the trust securities or successor securities in any material way, other than with respect to any dilution of the holders' interest in the new entity;

the successor entity has a purpose identical to that of the Trust;

prior to the Merger Event, we have received an opinion of counsel from a nationally recognized law firm stating that

the Merger Event does not adversely affect the rights of the holders of the Trust Preferred Securities or any successor securities in any material way, other than with respect to any dilution of the holders' interest in the new entity;

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following the Merger Event, neither the Trust nor the successor entity will be required to register as an investment company under the Investment Company Act; and

following the Merger Event, the Trust or the successor entity will continue to be classified as a grantor trust for U.S. federal income tax purposes;

we or any permitted successor or assignee guarantee the obligations of the successor entity under the successor securities in the same manner as in the Guarantee; and

the successor entity expressly assumes all of the obligations of the Trust with respect to the Trustees.

## **Table of Contents**

In addition, unless all of the holders of the Trust Preferred Securities and trust common securities approve otherwise, the Trust will not consolidate, amalgamate, merge with or into, or be replaced by any other entity or permit any other entity to consolidate, amalgamate, merge with or into, or replace it, if, in the opinion of a nationally recognized tax counsel experienced in such matters, the transaction would cause the Trust or the successor entity to be classified other than as a grantor trust for U.S. federal income tax purposes. (*Section 3.15 of the Amended Trust Agreement.*)

### **Voting Rights; Amendment of Trust Agreement**

The holders of Trust Preferred Securities have no voting rights except as discussed under Mergers, Consolidations or Amalgamations of the Trust and DESCRIPTION OF THE GUARANTEE Amendments, and as otherwise required by law and the amended trust agreement.

The amended trust agreement may be amended if approved by a majority of the Administrative Trustees of the Trust. However, if any proposed amendment provides for, or the Administrative Trustees otherwise propose to effect,

any action that would adversely affect the powers, preferences or special rights of the trust securities, whether by way of amendment to the amended trust agreement or otherwise or

the dissolution, winding-up or termination of the Trust other than under the terms of its amended trust agreement, then the holders of the Trust Preferred Securities as a single class will be entitled to vote on the amendment or proposal. In that case, the amendment or proposal will only be effective if approved by at least a majority in liquidation amount of the Trust Preferred Securities affected by the amendment or proposal.

No amendment may be made to an amended trust agreement if that amendment would:

cause the Trust to be characterized as other than a grantor trust for U.S. federal income tax purposes;

reduce or otherwise adversely affect the powers of the Property Trustee; or

cause the Trust to be deemed to be an investment company which is required to be registered under the Investment Company Act. (*Section 11.1 of the Amended Trust Agreement.*)

The holders of a majority of the total liquidation amount of the Trust Preferred Securities have the right to:

direct the time, method and place of conducting any proceeding for any remedy available to the Property Trustee; or

direct the exercise of any power conferred upon the Property Trustee under the amended trust agreement, including the right to direct the Property Trustee, as the holder of the applicable series of Debt Securities, to:

exercise the remedies available under the applicable indenture, with respect to the applicable series of Debt Securities; or

waive any event of default under the applicable indenture that is waivable; or

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cancel an acceleration of the principal of the applicable series of Debt Securities.

The Property Trustee is generally not obligated to take the foregoing actions unless it obtains an opinion of counsel stating that, as a result of that action, the Trust will continue to be classified as a grantor trust for U.S. federal income tax purposes. (*Section 7.5 of the Amended Trust Agreement.*)

As described in the form of amended trust agreement, the Property Trustee may hold a meeting to have holders of Trust Preferred Securities vote on a change or have them approve a change by written consent.



## **Table of Contents**

If a vote by the holders of Trust Preferred Securities is taken or a consent is obtained, any Trust Preferred Securities owned by us or any of our affiliates will, for purposes of the vote or consent, be treated as if they were not outstanding, which will have the following consequences:

we and any of our affiliates will not be able to vote on or consent to matters requiring the vote or consent of holders of Trust Preferred Securities; and

any Trust Preferred Securities owned by us or any of our affiliates will not be counted in determining whether the required percentage of votes or consents has been obtained. *(Section 7.5 of the Amended Trust Agreement.)*

### **Information Concerning the Property Trustee**

The Bank of New York Mellon, successor to JPMorgan Chase Bank, N.A., is the Property Trustee. It is also the Guarantee Trustee, the Subordinated Indenture Trustee, the Subordinated Indenture II Trustee and the Senior Indenture Trustee. An affiliate of The Bank of New York Mellon is also Delaware Trustee of the Trust. The Company and certain of its affiliates maintain deposit accounts and banking relationships with The Bank of New York Mellon. The Bank of New York Mellon also serves as trustee under other indentures pursuant to which our securities and securities of certain of our affiliates are outstanding.

For matters relating to compliance with the Trust Indenture Act, the Property Trustee will have all of the duties and responsibilities of an indenture trustee under the Trust Indenture Act. The Property Trustee, other than during the occurrence and continuance of a Trust Enforcement Event, undertakes to perform only the duties that are specifically described in the amended trust agreement and, upon a Trust Enforcement Event, must use the same degree of care and skill as a prudent person would exercise or use in the conduct of his or her own affairs. Subject to this provision, the Property Trustee is under no obligation to exercise any of the powers given it by the applicable amended trust agreement at the request of any holder of Trust Preferred Securities unless it is offered reasonable security or indemnity against the costs, expenses and liabilities that it might incur. However, the holders of the Trust Preferred Securities will not be required to offer such an indemnity where the holders, by exercising their voting rights, direct the Property Trustee to take any action following a Trust Enforcement Event. *(Section 3.9 of the Amended Trust Agreement.)*

### **Information Concerning the Delaware Trustee**

BNY Mellon Trust of Delaware, will serve as trustee of the Trust in the State of Delaware for the purpose of complying with the provisions of the Delaware Statutory Trust Act. It is an affiliate of The Bank of New York Mellon which serves as Property Trustee and in the other capacities described above under Information Concerning the Property Trustee.

### **Information Concerning the Administrative Trustees**

The Administrative Trustees are authorized and directed to conduct the affairs of and to operate the Trust in a way that:

will not cause it to be deemed to be an investment company required to be registered under the Investment Company Act;

will cause it to be classified as a grantor trust for U.S. federal income tax purposes; and

will cause the Junior Subordinated Debentures or the Junior Subordinated Notes, as applicable, it holds to be treated as our indebtedness for U.S. federal income tax purposes.

We and the Administrative Trustees are authorized to take any action, so long as it is consistent with applicable law or the certificate of trust or amended trust agreement, that we and the Administrative Trustees determine to be necessary or desirable for those purposes. *(Section 3.6 of the Amended Trust Agreement.)*



## **Table of Contents**

### **DESCRIPTION OF THE GUARANTEE**

We will execute the Guarantee from time to time for the benefit of the holders of the Trust Preferred Securities.

The Bank of New York Mellon will act as Guarantee Trustee under the Guarantee. The Guarantee Trustee will hold the Guarantee for the benefit of the holders of the Trust Preferred Securities.

The following description of the Guarantee is only a summary. The form of Guarantee is an exhibit to the registration statement.

#### **General**

We will irrevocably and unconditionally agree under the Guarantee to pay the Guarantee Payments that are defined below, to the extent specified in the Guarantee, to the holders of the Trust Preferred Securities, to the extent that the Guarantee Payments are not paid by or on behalf of the Trust. We are required to pay the Guarantee Payments to the extent specified in the Guarantee regardless of any defense, right of set-off or counterclaim that we may have or may assert against any person. (*Section 5.1 of the Guarantee.*)

The following payments and distributions on the Trust Preferred Securities of the Trust are Guarantee Payments:

any accrued and unpaid distributions required to be paid on the Trust Preferred Securities of the Trust, but only to the extent that the Trust has funds legally and immediately available for those distributions;

the redemption price for any Trust Preferred Securities that the Trust calls for redemption, including all accrued and unpaid distributions to the redemption date, but only to the extent that the Trust has funds legally and immediately available for the payment; and

upon a dissolution, winding-up or termination of the Trust, other than in connection with the distribution of the applicable series of Debt Securities to the holders of Trust Securities of the Trust or the redemption of all the Trust Preferred Securities of the Trust, the lesser of:

the sum of the liquidation amount and all accrued and unpaid distributions on the Trust Preferred Securities of the Trust to the payment date, to the extent that the Trust has funds legally and immediately available for the payment; and

the amount of assets of the Trust remaining available for distribution to holders of the Trust Preferred Securities of the Trust in liquidation of the Trust. (*Section 1.1 of the Guarantee.*)

We may satisfy our obligation to make a Guarantee Payment by making that payment directly to the holders of the related Trust Preferred Securities or by causing the Trust to make the payment to those holders. (*Section 5.1 of the Guarantee.*)

The Guarantee will be a full and unconditional guarantee, subject to certain subordination provisions, of the Guarantee Payments with respect to the Trust Preferred Securities from the time of issuance of the Trust Preferred Securities, except that the Guarantee will only apply to the payment of distributions and other payments on the Trust Preferred Securities when the Trust has sufficient funds legally and immediately available to make those distributions or other payments.

If we do not make the required payments on the applicable series of Debt Securities that the Property Trustee holds under the Trust, the Trust will not make the related payments on the Trust Preferred Securities.

## **Table of Contents**

### **Subordination**

Our obligations under the Guarantee will be unsecured obligations. Those obligations will rank:

subordinate and junior in right of payment to all of our other liabilities, other than obligations or liabilities that rank equal in priority or subordinate by their terms;

equal in priority with the outstanding applicable series of Debt Securities and similar outstanding guarantees; and

senior to our preferred and common stock. *(Section 6.2 of the Guarantee.)*

As of December 31, 2008, we had approximately \$268 million in aggregate principal amount of Junior Subordinated Debentures outstanding that would rank equal in priority with the Guarantee. As of December 31, 2008, we had approximately \$800 million in aggregate principal amount of outstanding Junior Subordinated Notes that would rank junior to the Guarantee. We have common stock outstanding that would rank junior to the Guarantee.

The Guarantee will be a guarantee of payment and not of collection. This means

that the guaranteed party may institute a legal proceeding directly against us, as guarantor, to enforce its rights under the Guarantee without first instituting a legal proceeding against any other person or entity. *(Sections 5.4 & 5.5 of the Guarantee.)*

The terms of the Trust Preferred Securities will provide that each holder of the Trust Preferred Securities, by accepting those Trust Preferred Securities, agrees to the subordination provisions and other terms of the Guarantee.

### **Amendments**

We may amend the Guarantee without the consent of any holder of the Trust Preferred Securities to which the Guarantee relates if the amendment does not materially and adversely affect the rights of those holders. We may otherwise amend the Guarantee with the approval of the holders of more than 50% of the outstanding Trust Preferred Securities to which the Guarantee relates. *(Section 9.2 of the Guarantee.)*

### **Termination**

The Guarantee will terminate and be of no further effect when:

the redemption price of the Trust Preferred Securities to which the Guarantee relates is fully paid;

we distribute the applicable series of Debt Securities to the holders of those Trust Preferred Securities; or

the amounts payable upon liquidation of the related Trust are fully paid. *(Section 7.1 of the Guarantee.)*

The Guarantee will remain in effect or will be reinstated if at any time any holder of the related Trust Preferred Securities must restore payment of any sums paid to that holder with respect to those Trust Preferred Securities or under the Guarantee.

### **Material Covenants**

We will covenant that, so long as any Trust Preferred Securities remain outstanding, if there is an event of default under the Guarantee or the amended trust agreement:

we will not make distributions related to our debt securities that rank equally with or junior to the applicable series of Debt Securities, including any payment of interest, principal or premium, or repayments, repurchases or redemptions; and

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## **Table of Contents**

we will not make distributions related to our capital stock, including dividends, redemptions, repurchases, liquidation payments, or guarantee payments. We may, however, make the following types of distributions:

dividends paid in common stock;

dividends in connection with the implementation of a shareholder rights plan;

payments to a trust holding securities of the same series under a guarantee; and

repurchases, redemptions or other acquisitions of shares of our capital stock in connection with any benefit plan or other similar arrangement with or for the benefit of employees, officers, directors or consultants. *(Section 6.1 of the Guarantee.)*

Because we are a holding company that conducts all of our operations through our subsidiaries, our ability to meet our obligations under the Guarantee is dependent on the earnings and cash flows of those subsidiaries and the ability of those subsidiaries to pay dividends or to advance or repay funds to us. The Trust, as holder of the Guarantee and the applicable series of Debt Securities will generally have a junior position to claims of creditors of our subsidiaries, including trade creditors, debtholders, secured creditors, taxing authorities, guarantee holders and any preferred stockholders.

### **Events of Default**

An event of default will occur under the Guarantee if we fail to perform any of our payment obligations under the Guarantee. The holders of a majority of the Trust Preferred Securities of any series may waive any such event of default and its consequences on behalf of all of the holders of the Trust Preferred Securities of that series. *(Section 2.6 of the Guarantee.)* The Guarantee Trustee is entitled to enforce the Guarantee for the benefit of the holders of the Trust Preferred Securities of a series if an event of default occurs under the related Guarantee. *(Section 3.1 of the Guarantee.)*

The holders of a majority of the Trust Preferred Securities to which the Guarantee relates have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Guarantee Trustee with respect to the Guarantee or to direct the exercise of any trust or power that the Guarantee Trustee holds under the Guarantee. Any holder of the related Trust Preferred Securities may institute a legal proceeding directly against us to enforce that holder's rights under the Guarantee without first instituting a legal proceeding against the Guarantee Trustee or any other person or entity. *(Section 5.4 of the Guarantee.)*

### **Concerning the Guarantee Trustee**

The Bank of New York Mellon is the Guarantee Trustee. It is also the Property Trustee under the amended trust agreement. The Bank of New York Mellon also serves as Trustee for the Indentures and the Delaware Trustee of the Trust is an affiliate of The Bank of New York Mellon as well. We and certain of our affiliates maintain deposit accounts and banking relationships with The Bank of New York Mellon. The Bank of New York Mellon also serves as trustee for other indentures under which securities of ours and certain of our affiliates are outstanding.

The Guarantee Trustee will perform only those duties that are specifically set forth in each Guarantee unless an event of default under the Guarantee occurs and is continuing. In case an event of default occurs and is continuing, the Guarantee Trustee will exercise the same degree of care as a prudent individual would exercise in the conduct of his or her own affairs. *(Section 3.1 of the Guarantee.)* Subject to those provisions, the Guarantee Trustee is under no obligation to exercise any of its powers under any Guarantee at the request of any holder of the related Trust Preferred Securities unless that holder offers reasonable indemnity to the Guarantee Trustee against the costs, expenses and liabilities which it might incur as a result. *(Section 3.2 of the Guarantee.)*

## **Table of Contents**

### **AGREEMENT AS TO EXPENSES AND LIABILITIES**

We will enter into an Agreement as to Expenses and Liabilities as required under the Trust Agreement. The Agreement as to Expenses and Liabilities will provide that we will, with certain exceptions, irrevocably and unconditionally guarantee the full payment of any indebtedness, expenses or liabilities of the Trust to each person or entity to whom the Trust becomes indebted or liable. The exceptions are the obligations of the Trust to pay amounts due to the holders of the Trust Preferred Securities and the trust common securities.

### **RELATIONSHIP AMONG THE TRUST PREFERRED SECURITIES, THE GUARANTEE AND THE APPLICABLE SERIES OF DEBT SECURITIES HELD BY THE TRUST**

We will guarantee payments of distributions and redemption and liquidation payments due on the Trust Preferred Securities, to the extent the Trust has funds available for the payments, to the extent described under DESCRIPTION OF THE GUARANTEE. No single document executed by us in connection with the issuance of the Trust Preferred Securities will provide for our full, irrevocable and unconditional guarantee of the Trust Preferred Securities. It is only the combined operation of our obligations under the Guarantee, the amended trust agreement and the applicable Indentures that has the effect of providing a full, irrevocable and unconditional guarantee of the Trust's obligations under the Trust Preferred Securities.

As long as we make payments of interest and other payments when due on the applicable series of Debt Securities held by the Trust, those payments will be sufficient to cover the payment of distributions and redemption and liquidation payments due on the Trust Preferred Securities issued by the Trust, primarily because:

the total principal amount of the applicable series of Debt Securities will be equal to the sum of the total liquidation amount of the trust securities;

the interest rate and interest and other payment dates on the applicable series of Debt Securities will match the distribution rate and distribution and other payment dates for the Trust Preferred Securities;

we will pay for any and all costs, expenses and liabilities of the Trust except its obligations under its Trust Preferred Securities; and

the amended trust agreement will provide that the Trust will not engage in any activity that is not consistent with the limited purposes of the Trust.

If and to the extent that we do not make payments on the applicable series of Debt Securities the Trust will not have funds available to make payments of distributions or other amounts due on its Trust Preferred Securities. In those circumstances, you will not be able to rely upon the Guarantee for payment of these amounts. Instead, you may directly sue us or seek other remedies to collect your proportionate share of payments owed. If you sue us to collect payment, then we will assume your rights as a holder of Trust Preferred Securities under the amended trust agreement to the extent we make a payment to you in any such legal action.

### **DESCRIPTION OF CAPITAL STOCK**

As of September 30, 2008, our authorized capital stock was one billion shares. Those shares consisted of 20 million shares of preferred stock and 980 million shares of common stock. As of September 30, 2008, approximately 581 million shares of common stock were issued and outstanding. No holder of shares of common stock or preferred stock has any preemptive rights.

#### **Common Stock**

##### *Listing*

Our outstanding shares of common stock are listed on the New York Stock Exchange under the symbol **D**. Any additional common stock we issue will also be listed on the New York Stock Exchange.





## **Table of Contents**

### *Dividends*

Common shareholders may receive dividends when declared by the Board of Directors. Dividends may be paid in cash, stock or other form. In certain cases, common shareholders may not receive dividends until we have satisfied our obligations to any preferred shareholders. Under certain circumstances, if specified in the applicable supplemental indenture, the Indentures may restrict our ability to pay cash dividends.

### *Fully Paid*

All outstanding shares of common stock are fully paid and non-assessable. Any additional common stock we issue will also be fully paid and non-assessable.

### *Voting Rights*

Each share of common stock is entitled to one vote in the election of directors and other matters. Common shareholders are not entitled to cumulative voting rights.

### *Other Rights*

We will notify common shareholders of any shareholders' meetings according to applicable law. If we liquidate, dissolve or wind up our business, either voluntarily or not, common shareholders will share equally in the assets remaining after we pay our creditors and preferred shareholders.

### *Transfer Agents and Registrars*

We, along with Continental Stock Transfer & Trust Company, are transfer agent and registrar for our common stock. You may contact us at the address listed on page 2 or at Continental located at 17 Battery Place, New York, New York 10004.

## **Preferred Stock**

The following description of the terms of the preferred stock sets forth certain general terms and provisions of our authorized preferred stock. If we issue preferred stock, the specific designations and rights will be described in the prospectus supplement or other offering materials and a description will be filed with the SEC.

Our Board of Directors can, without approval of shareholders, issue one or more series of preferred stock. The Board of Directors can also determine the number of shares of each series and the rights, preferences and limitations of each series including the dividend rights, voting rights, conversion rights, redemption rights and any liquidation preferences, the number of shares constituting each series and the terms and conditions of issue. In some cases, the issuance of preferred stock could delay a change in control of the Company and make it harder to remove present management. Under certain circumstances, preferred stock could also restrict dividend payments to holders of our common stock.

The preferred stock will, when issued, be fully paid and non-assessable. Unless otherwise specified in the applicable prospectus supplement or other offering materials, the preferred stock will rank on a parity in all respects with any outstanding preferred stock we may have and will have priority over our common stock as to dividends and distributions of assets. Therefore, the rights of any preferred stock that may subsequently be issued may limit the rights of the holders of our common stock and preferred stock.

The transfer agent, registrar, and dividend disbursement agent for a series of preferred stock will be named in a prospectus supplement or other offering materials. The registrar for shares of preferred stock will send notices to shareholders of any meetings at which holders of the preferred stock have the right to elect directors or to vote on any other matter.

## **Table of Contents**

### **VIRGINIA STOCK CORPORATION ACT AND THE ARTICLES AND THE BYLAWS**

#### **General**

We are a Virginia corporation subject to the Virginia Stock Corporation Act (the Virginia Act). Provisions of the Virginia Act, in addition to provisions of our Articles of Incorporation (Articles) and Bylaws, address corporate governance issues, including the rights of shareholders. Some of these provisions could hinder management changes while others could have an anti-takeover effect. This anti-takeover effect may, in some circumstances, reduce the control premium that might otherwise be reflected in the value of our common stock. If you are buying this stock as part of a short-term investment strategy, this might be especially important to you.

We have summarized the key provisions below. You should read the actual provisions of our Articles and Bylaws and the Virginia Act that relate to your individual investment strategy.

#### *Business Combinations*

Our Articles require that any merger, share exchange or sale of substantially all of the assets of the Company be approved by a plurality of the shares represented at a meeting where a quorum is present. Abstentions and broker non-votes will have no effect on the outcome.

Article 14 of the Virginia Act contains several provisions relating to transactions with interested shareholders. Interested shareholders are holders of more than 10% of any class of a corporation's outstanding voting shares. Transactions between a corporation and an interested shareholder are referred to as affiliated transactions. The Virginia Act requires that material affiliated transactions must be approved by at least two-thirds of the shareholders not including the interested shareholder. Affiliated transactions requiring this two-thirds approval include mergers, share exchanges, material dispositions of corporate assets, dissolution or any reclassification of securities or merger of the corporation with any of its subsidiaries which increases the percentage of voting shares owned by an interested shareholder by more than five percent.

For three years following the time that a shareholder becomes an interested shareholder, a Virginia corporation cannot engage in an affiliated transaction with the interested shareholder without approval of two-thirds of the disinterested voting shares, and majority approval of disinterested directors. A disinterested director is a director who was a director on the date on which an interested shareholder became an interested shareholder or was recommended for election or elected by a majority of the disinterested directors then on the board. After three years, an affiliated transaction must be approved by either two-thirds of disinterested voting shares or a majority of disinterested directors.

The provisions of the Virginia Act relating to affiliated transactions do not apply if a majority of disinterested directors approve the acquisition of shares making a person an interested shareholder.

The Virginia Act permits corporations to opt out of the affiliated transactions provisions. We have not opted out.

The Virginia Act also contains provisions regulating certain control share acquisitions, which are transactions causing the voting strength of any person acquiring beneficial ownership of shares of a public corporation in Virginia to meet or exceed certain threshold voting percentages (20%, 33 1/3%, or 50%). Shares acquired in a control share acquisition have no voting rights unless the voting rights are granted by a majority vote of all outstanding shares other than those held by the acquiring person or any officer or employee-director of the corporation. The acquiring person may require that a special meeting of the shareholders be held to consider the grant of voting rights to the shares acquired in the control share acquisition.

Our Bylaws give us the right to redeem the shares purchased by an acquiring person in a control share acquisition. We can do this if the acquiring person fails to deliver a statement to us listing information required by the Virginia Act or if our shareholders vote not to grant voting rights to the acquiring person.

## **Table of Contents**

The Virginia Act permits corporations to opt out of the control share acquisition provisions. We have not opted out.

### **Directors Duties**

The standards of conduct for directors of Virginia corporations are listed in Section 13.1-690 of the Virginia Act. Directors must discharge their duties in accordance with their good faith business judgment of the best interests of the corporation. Directors may rely on the advice or acts of others, including officers, employees, attorneys, accountants and board committees if they have a good faith belief in their competence. Directors' actions are not subject to a reasonableness or prudent person standard. Virginia's federal and state courts have focused on the process involved with directors' decision-making and are generally supportive of directors if they have based their decision on an informed process. These elements of Virginia law could make it more difficult to take over a Virginia corporation than corporations in other states.

### **Board of Directors**

Members of our Board of Directors serve one-year terms and are elected annually. Except when the number of nominees exceeds the number of directors to be elected (a contested election), directors are elected by majority vote. In the case of a contested election, directors are elected by a plurality vote. Directors may be removed from office for cause by the vote of two-thirds of the outstanding shares entitled to vote.

### **Shareholder Proposals and Director Nominations**

Our shareholders can submit shareholder proposals and nominate candidates for the Board of Directors if the shareholders follow advance notice procedures described in our Bylaws.

To nominate directors, shareholders must submit a written notice to our corporate secretary at least 60 days before a scheduled meeting. The notice must include the name and address of the shareholder and of the nominee, a description of any arrangements between the shareholder and the nominee, information about the nominee required by the SEC, the written consent of the nominee to serve as a director and other information.

Shareholder proposals must be submitted to our corporate secretary at least 90 days before the first anniversary of the date of our last annual meeting. The notice must include a description of the proposal, the reasons for presenting the proposal at the annual meeting, the text of any resolutions to be presented, the shareholder's name and address and number of shares held and any material interest of the shareholder in the proposal.

Director nominations and shareholder proposals that are late or that do not include all required information may be rejected. This could prevent shareholders from bringing certain matters before an annual or special meeting, including making nominations for directors.

### **Meetings of Shareholders**

Under our Bylaws, meetings of the shareholders may be called only by the chairman of the board, the vice chairman, the president or a majority of the Board of Directors. This provision could have the effect of delaying until the next annual shareholders' meeting shareholder actions which are favored by the holders of a majority of our outstanding voting securities, because such holders would be able to take action as shareholders, such as electing new directors or approving a merger, only at a duly called shareholders' meeting.

### **Amendment of Articles**

Generally, our Articles may be amended by a plurality of the shares represented at a meeting where a quorum is present. Some provisions of the Articles, however, may only be amended or repealed by a vote of at least two-thirds of the outstanding shares entitled to vote.

## **Table of Contents**

### **Indemnification**

We indemnify our officers and directors to the fullest extent permitted under Virginia law against all liabilities incurred in connection with their service to us.

### **Limitation of Liability**

Our Articles provide that our directors and officers will not be personally liable for monetary damages to us for breaches of their fiduciary duty as directors or officers, unless they violated their duty of loyalty to us or our shareholders, acted in bad faith, knowingly or intentionally violated the law, authorized illegal dividends or redemptions or derived an improper personal benefit from their action as directors or officers. This provision applies only to claims against directors or officers arising out of their role as directors or officers and not in any other capacity. Directors and officers remain liable for violations of the federal securities laws and we retain the right to pursue legal remedies other than monetary damages, such as an injunction or rescission for breach of the officer's or director's duty of care.

### **DESCRIPTION OF STOCK PURCHASE CONTRACTS AND STOCK PURCHASE UNITS**

We may issue stock purchase contracts, including contracts obligating holders to purchase from us, and us to sell to the holders, a specified number of shares of common stock at a future date or dates, which we refer to in this prospectus as stock purchase contracts. The price per share of common stock and the number of shares of common stock may be fixed at the time the stock purchase contracts are issued or may be determined by reference to a specific formula set forth in the stock purchase contracts. The stock purchase contracts may be issued separately or as part of units consisting of a stock purchase contract and beneficial interests in debt securities, trust preferred securities, preferred stock or debt obligations of third parties, including U.S. treasury securities or obligations of our subsidiaries, securing the holders' obligations to purchase the common stock under the stock purchase contracts, which we refer to in this prospectus as stock purchase units. The stock purchase contracts may require us to make periodic payments to the holders of the stock purchase units or vice versa, and these payments may be unsecured or refunded on some basis. The stock purchase contracts may require holders to secure their obligations under those contracts in a specified manner.

The applicable prospectus supplement or other offering materials will describe the terms of the stock purchase contracts or stock purchase units, including, if applicable, collateral or depository arrangements, relating to the stock purchase contracts or stock purchase units.

### **PLAN OF DISTRIBUTION**

We may sell the securities being offered hereby in any one or more of the following ways:

directly to purchasers;

through agents;

to or through underwriters; or

through dealers.

We may distribute the securities from time to time in one or more transactions at:

a fixed price or prices, which may be changed;

market prices prevailing at the time of sale;

prices related to prevailing market prices; or

negotiated prices.

## **Table of Contents**

We may directly solicit offers to purchase securities, or we may designate agents to solicit such offers. We will, in the prospectus supplement or other offering materials relating to such offering, name any agent that could be viewed as an underwriter under the Securities Act of 1933 and describe any commissions we must pay. Any such agent will be acting on a best efforts basis for the period of its appointment or, if indicated in the applicable prospectus supplement or other offering materials, on a firm commitment basis. Agents, dealers and underwriters may be customers of, engage in transactions with, or perform services for us in the ordinary course of business.

If any underwriters or agents are utilized in the sale of the securities in respect of which this prospectus is delivered, we will enter into an underwriting agreement or other agreement with them at the time of sale to them, and we will set forth in the prospectus supplement or other offering materials relating to such offering their names and the terms of our agreement with them.

If a dealer is utilized in the sale of the securities in respect of which this prospectus is delivered, we will sell such securities to the dealer, as principal. The dealer may then resell such securities to the public at varying prices to be determined by such dealer at the time of resale.

We may engage in at-the-market offerings to or through a market maker or into an existing trading market, on an exchange or otherwise, in accordance with Rule 415(a)(4). An at-the-market offering may be through an underwriter or underwriters acting as principal or agent for us.

The securities may also be offered and sold, if so indicated in the applicable prospectus supplement or other offering materials, in connection with a remarketing upon their purchase, in accordance with a redemption or repayment pursuant to their terms, or otherwise, by one or more remarketing firms, acting as principals for their own accounts or as agents for us. Any remarketing firm will be identified and the terms of its agreement, if any, with us and its compensation will be described in the applicable prospectus supplement or other offering materials.

Remarketing firms, agents, underwriters and dealers may be entitled under agreements which they may enter into with us to indemnification by us against certain civil liabilities, including liabilities under the Securities Act, and may be customers of, engage in transactions with or perform services for us in the ordinary course of business.

In order to facilitate the offering of the securities, any underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the securities or any other securities the prices of which may be used to determine payments on such securities. Specifically, any underwriters may over-allot in connection with the offering, creating a short position for their own accounts. In addition, to cover over-allotments or to stabilize the price of the securities or of any such other securities, the underwriters may bid for, and purchase, the securities or any such other securities in the open market. Finally, in any offering of the securities through a syndicate of underwriters, the underwriting syndicate may reclaim selling concessions allowed to an underwriter or a dealer for distributing the securities in the offering if the syndicate repurchases previously distributed securities in transactions to cover syndicate short positions, in stabilization transactions or otherwise. Any of these activities may stabilize or maintain the market price of the securities above independent market levels. Any such underwriters are not required to engage in these activities and may end any of these activities at any time.

We may enter into derivative transactions with third parties, or sell securities not covered by this prospectus to third parties in privately negotiated transactions. If the applicable prospectus supplement or other offering materials indicates, in connection with those derivatives, the third parties may sell securities covered by this prospectus and the applicable prospectus supplement or other offering materials, including in short sale transactions. If so, the third parties may use securities pledged by us or borrowed from us or others to settle those sales or to close out any related open borrowings of stock, and may use securities received from us in settlement of those derivatives to close out any related open borrowings of stock. The third parties in such sale transactions will be underwriters and, if not identified in this prospectus, will be identified in the applicable prospectus supplement or other offering materials (or a post-effective amendment).

**Table of Contents**

We or one of our affiliates may loan or pledge securities to a financial institution or other third party that in turn may sell the securities using this prospectus. Such financial institution or third party may transfer its short position to investors in our securities or in connection with a simultaneous offering of other securities offered by this prospectus or otherwise.

Any underwriter, agent or dealer utilized in the initial offering of securities will not confirm sales to accounts over which it exercises discretionary authority without the prior specific written approval of its customer.

**LEGAL OPINIONS**

McGuireWoods LLP, counsel to the Company, will issue an opinion about the legality of the offered securities for us. As of December 31, 2008, partners of McGuireWoods LLP owned less than one-half of one percent of our common stock. Certain matters relating to the formation of the Trust and the issuance of the Trust Preferred Securities under Delaware law and the Trust Agreements will be passed upon by Richards, Layton & Finger P.A., special Delaware counsel to the Trust and the Company. Any underwriters will be advised about other issues relating to any offering by their own legal counsel.

**EXPERTS**

The financial statements incorporated in this Prospectus by reference from the Company's Annual Report on Form 10-K and the effectiveness of the Dominion Resources Inc.'s internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference. Such financial statements have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

**Table of Contents**