

UNITEDHEALTH GROUP INC
 Form 424B5
 December 14, 2018
Table of Contents

Filed pursuant to Rule 424(b)(5)
 File No. 333-216150

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Maximum aggregate offering price	Amount of registration fee(1)(2)
3.500% Notes due February 15, 2024	\$750,000,000	\$90,900
3.700% Notes due December 15, 2025	\$300,000,000	\$36,360
3.875% Notes due December 15, 2028	\$850,000,000	\$103,020
4.450% Notes due December 15, 2048	\$1,100,000,000	\$133,320

- (1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933. The total registration fee due for this offering is \$363,600.
- (2) This Calculation of Registration Fee table shall be deemed to update the Calculation of Registration Fee table in the Company's Registration Statement on Form S-3 (File No. 333-216150) in accordance with Rules 456(b) and 457(r) under the Securities Act of 1933.

Table of Contents

Prospectus Supplement to Prospectus dated February 21, 2017

\$3,000,000,000

\$750,000,000 3.500% Notes due February 15, 2024

\$300,000,000 3.700% Notes due December 15, 2025

\$850,000,000 3.875% Notes due December 15, 2028

\$1,100,000,000 4.450% Notes due December 15, 2048

We are offering \$750,000,000 principal amount of 3.500% notes due February 15, 2024, \$300,000,000 principal amount of 3.700% notes due December 15, 2025, \$850,000,000 principal amount of 3.875% notes due December 15, 2028 and \$1,100,000,000 principal amount of 4.450% notes due December 15, 2048. We refer to the 2024 notes, the 2025 notes, the 2028 notes and the 2048 notes collectively as the notes.

Interest on the 2024 notes will be payable semi-annually on February 15 and August 15, beginning on February 15, 2019, at the applicable rate set forth above. Interest on the 2025 notes, the 2028 notes and the 2048 notes will be payable semi-annually on June 15 and December 15, beginning on June 15, 2019, in each case at the applicable rates set forth above. At our option, we may redeem any series of notes, in whole or in part, before their maturity date on not less than 30 nor more than 60 days' notice by mail on the terms described under the caption "Description of the Notes - Optional Redemption." If a change of control triggering event as described herein occurs with respect to any series of notes, unless we have exercised our option to redeem all notes of such series, we will be required to offer to repurchase such series of notes, in each case at the prices described under the caption "Description of the Notes - Change of Control Offer."

The notes will be our senior, unsecured obligations and will rank equally in right of payment with all of our other unsecured and unsubordinated indebtedness from time to time outstanding. We do not intend to apply for listing of the notes on any securities exchange or for inclusion of the notes in any automated dealer quotation system.

Investing in the notes involves risks. See Risk Factors on page S-4 of this prospectus supplement.

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 supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

	Public Offering Price(1)		Underwriting Discount		Proceeds to Us (before expenses)	
	Per Note	Total	Per Note	Total	Per Note	Total
2024 Notes	99.751%	\$ 748,132,500	0.350%	\$ 2,625,000	99.401%	\$ 745,507,500
2025 Notes	99.799%	\$ 299,397,000	0.400%	\$ 1,200,000	99.399%	\$ 298,197,000
2028 Notes	99.656%	\$ 847,076,000	0.450%	\$ 3,825,000	99.206%	\$ 843,251,000
2048 Notes	99.590%	\$ 1,095,490,000	0.750%	\$ 8,250,000	98.840%	\$ 1,087,240,000
Combined Total		\$ 2,990,095,500		\$ 15,900,000		\$ 2,974,195,500

(1) Plus accrued interest from December 17, 2018 if settlement occurs after that date.

The underwriters expect to deliver the notes to investors on or about December 17, 2018 only in book-entry form through the facilities of The Depository Trust Company and its participants, including Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme*.

Joint Book-Running Managers

J.P. Morgan **Citigroup** **Deutsche Bank Securities** **Mizuho Securities** **US Bancorp**
Credit Suisse **HSBC**
Senior Co-Managers

BofA Merrill Lynch **Barclays** **BB&T Capital Markets** **Goldman Sachs & Co. LLC** **KeyBanc Capital Markets**
Morgan Stanley **PNC Capital Markets LLC** **RBC Capital Markets** **Wells Fargo Securities**
Co-Managers

Capital Markets **BNY Mellon Capital Markets, LLC** **Fifth Third Securities** **Huntington Capital Markets** **Loop Capital Ma**
G **Regions Securities LLC** **Santander** **SunTrust Robinson Humphrey** **TD Secu**

Prospectus Supplement dated December 13, 2018

Table of Contents

We have not, and the underwriters have not, authorized any dealer, salesperson or other person to give any information or to represent anything not contained in or incorporated by reference into this prospectus supplement, the accompanying prospectus or any free writing prospectus filed by us with the Securities and Exchange Commission, or the SEC. Neither we nor the underwriters take any responsibility for, or provide any assurance as to the reliability of, any other information that others may provide. This prospectus supplement and the accompanying prospectus is an offer to sell only the notes offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in or incorporated by reference into this prospectus supplement, the accompanying prospectus and any free writing prospectus filed by us with the SEC is current only as of the date of the document containing such information. Our business, financial condition, results of operations and prospects may have changed since those respective dates.

TABLE OF CONTENTS

	Page
Prospectus Supplement	
<u>About This Prospectus Supplement</u>	S-1
<u>Incorporation of Certain Documents By Reference</u>	S-1
<u>Cautionary Statement Regarding Forward-Looking Statements</u>	S-2
<u>UnitedHealth Group</u>	S-3
<u>Risk Factors</u>	S-4
<u>Use of Proceeds</u>	S-4
<u>Description of the Notes</u>	S-5
<u>Material U.S. Federal Income Tax Consequences</u>	S-12
<u>Underwriting</u>	S-17
<u>Legal Matters</u>	S-22
<u>Experts</u>	S-22
Prospectus	
<u>About This Prospectus</u>	1
<u>Where You Can Find More Information</u>	1
<u>Incorporation of Certain Documents By Reference</u>	1
<u>Cautionary Statement Regarding Forward-Looking Statements</u>	3
<u>UnitedHealth Group</u>	4
<u>Risk Factors</u>	5
<u>Use of Proceeds</u>	5
<u>Ratio of Earnings to Fixed Charges</u>	5
<u>Description of Debt Securities</u>	6
<u>Description of Preferred Stock</u>	15
<u>Description of Common Stock</u>	16
<u>Description of Warrants</u>	17
<u>Description of Guarantees</u>	18
<u>Plan of Distribution</u>	19

Legal Matters

21

Experts

21

S-i

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement relates to a prospectus which is part of a registration statement that we have filed with the SEC utilizing a shelf registration process. Under this shelf registration process, we may sell the securities described in the accompanying prospectus in one or more offerings. The accompanying prospectus provides you with a general description of the securities we may offer. This prospectus supplement contains specific information about the terms of this offering. This prospectus supplement may add, update or change information contained in the accompanying prospectus. Please carefully read both this prospectus supplement and the accompanying prospectus in addition to the information described below under **Incorporation of Certain Documents by Reference** and in the section of the accompanying prospectus called **Where You Can Find More Information**.

As you read this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein, there may be inconsistencies in information from one document to another. If this prospectus supplement is inconsistent with the accompanying prospectus, the statements in this prospectus supplement will control. In the event of any other inconsistencies, you should rely on the statements made in the most recent document, including any document incorporated by reference into this prospectus supplement after the date hereof. All information appearing in this prospectus supplement and the accompanying prospectus is qualified in its entirety by the information and financial statements, including the notes thereto, contained in the documents that we have incorporated by reference.

In this prospectus supplement, unless otherwise specified, the terms **UnitedHealth Group**, **the Company**, **we**, **us** or **mean UnitedHealth Group Incorporated** and its consolidated subsidiaries. Unless otherwise stated, currency amounts in this prospectus supplement are stated in United States dollars, or **\$**.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC allows us to incorporate by reference the information we file with the SEC, which means that we can disclose important information to you by referring you to those documents. We are incorporating by reference certain information filed previously with the SEC into this prospectus supplement. The information incorporated by reference is considered to be part of this prospectus supplement, and later information that we file with the SEC will automatically update this prospectus supplement. We incorporate by reference the documents listed below, and any filings we hereafter make with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act (in each case, excluding any documents or information deemed to have been furnished and not filed in accordance with SEC rules), prior to the termination of the offering under this prospectus supplement:

Annual Report on Form 10-K for the year ended December 31, 2017, or the 2017 10-K;

Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2018, June 30, 2018 and September 30, 2018; and

Current Reports on Form 8-K filed on February 15, 2018, March 13, 2018, June 8, 2018, June 19, 2018 and November 13, 2018.

Edgar Filing: UNITEDHEALTH GROUP INC - Form 424B5

We will provide to each person, including any beneficial owner, to whom this prospectus supplement is delivered copies of this prospectus supplement and any of the documents incorporated by reference into this prospectus supplement, excluding any exhibit to those documents unless the exhibit is specifically incorporated by reference into those documents, without charge, by written or oral request directed to:

UnitedHealth Group Incorporated

UnitedHealth Group Center

9900 Bren Road East

Minnetonka, Minnesota 55343

Attn: Legal Department

(952) 936-1300

S-1

Table of Contents

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

The statements, estimates, projections, guidance or outlook contained in, or incorporated by reference into, this prospectus supplement and the accompanying prospectus include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, or PSLRA. These statements are intended to take advantage of the safe harbor provisions of the PSLRA. Generally the words believe, expect, intend, estimate, anticipate, outlook, plan, project, should and similar expressions identify forward-looking statements, which generally are not historical in nature. These statements may contain information about financial prospects, economic conditions and trends and involve risks and uncertainties. We caution that actual results could differ materially from those that management expects, depending on the outcome of certain factors.

Some factors that could cause actual results to differ materially from results discussed or implied in the forward-looking statements include: our ability to effectively estimate, price for and manage our medical costs, including the impact of any new coverage requirements; new laws or regulations, or changes in existing laws or regulations, or their enforcement or application, including increases in medical, administrative, technology or other costs or decreases in enrollment resulting from U.S., South American and other jurisdictions regulations affecting the health care industry; the outcome of the Department of Justice's legal action relating to the risk adjustment submission matter; our ability to maintain and achieve improvement in CMS star ratings and other quality scores that impact revenue; reductions in revenue or delays to cash flows received under Medicare, Medicaid and other government programs, including the effects of a prolonged U.S. government shutdown or debt ceiling constraints; changes in Medicare, including changes in payment methodology, the CMS star ratings program or the application of risk adjustment data validation audits; cyber-attacks or other privacy or data security incidents; failure to comply with privacy and data security regulations; regulatory and other risks and uncertainties of the pharmacy benefits management industry; competitive pressures, which could affect our ability to maintain or increase our market share; changes in or challenges to our public sector contract awards; our ability to execute contracts on competitive terms with physicians, hospitals and other service providers; failure to achieve targeted operating cost productivity improvements, including savings resulting from technology enhancement and administrative modernization; increases in costs and other liabilities associated with increased litigation, government investigations, audits or reviews; failure to manage successfully our strategic alliances or complete or receive anticipated benefits of acquisitions and other strategic transactions; fluctuations in foreign currency exchange rates on our reported shareholders' equity and results of operations; downgrades in our credit ratings; the performance of our investment portfolio; impairment of the value of our goodwill and intangible assets if estimated future results do not adequately support goodwill and intangible assets recorded for our existing businesses or the businesses that we acquire; failure to maintain effective and efficient information systems or if our technology products do not operate as intended; and our ability to obtain sufficient funds from our regulated subsidiaries or the debt or capital markets to fund our obligations, to maintain our debt to total capital ratio at targeted levels, to maintain our quarterly dividend payment cycle or to continue repurchasing shares of our common stock.

This list of important factors is not intended to be exhaustive. We discuss certain of these matters more fully, as well as certain risk factors that may affect our business operations, financial condition and results of operations, in our periodic and current filings with the SEC, including our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. Any or all forward-looking statements we make may turn out to be wrong, and can be affected by inaccurate assumptions we might make or by known or unknown risks and uncertainties. By their nature, forward-looking statements are not guarantees of future performance or results and are subject to risks, uncertainties and assumptions that are difficult to predict or quantify. Actual future results may vary materially from expectations expressed or implied in, or incorporated by reference into, this prospectus supplement and the accompanying prospectus or any of our prior communications. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. We do not undertake to update or revise

any forward-looking statements, except as required by applicable securities laws.

S-2

Table of Contents

UNITEDHEALTH GROUP

UnitedHealth Group is a diversified health care company dedicated to helping people live healthier lives and helping make the health system work better for everyone.

Through our diversified family of businesses, we leverage core competencies in data and health information; advanced technology; and clinical expertise to help meet the demands of the health system. These core competencies are deployed within our two distinct, but strategically aligned, business platforms: health benefits operating under UnitedHealthcare and health services operating under Optum.

UnitedHealthcare provides health care benefits to an array of customers and markets. UnitedHealthcare Employer & Individual serves employers ranging from sole proprietorships to large, multi-site and national employers, public sector employers and other individuals. UnitedHealthcare Medicare & Retirement delivers health and well-being benefits for Medicare beneficiaries and retirees. UnitedHealthcare Community & State manages health care benefit programs on behalf of state Medicaid and community programs and their participants. UnitedHealthcare Global includes the provision of health and dental benefits and hospital and clinical services to employer groups and individuals in Brazil, and other diversified global health businesses.

Optum is a health services business serving the broad health care marketplace, including payers, care providers, employers, governments, life sciences companies and consumers, through its OptumHealth, OptumInsight and OptumRx businesses. These businesses have dedicated units that help improve overall health system performance through optimizing care quality, reducing costs and improving consumer experience and care provider performance, leveraging distinctive capabilities in data and analytics, pharmacy care services, population health, health care delivery and health care operations.

UnitedHealth Group Incorporated was incorporated in January 1977 in Minnesota and was reincorporated in Delaware on July 1, 2015 pursuant to a plan of conversion. Our executive offices are located at UnitedHealth Group Center, 9900 Bren Road East, Minnetonka, Minnesota 55343. Our telephone number is (952) 936-1300, and our website is located at www.unitedhealthgroup.com. The information on or accessible through our website is not part of this prospectus supplement or the accompanying prospectus.

Table of Contents

RISK FACTORS

Investing in the notes involves risks. You should carefully consider the risks described herein and those described under Risk Factors in Part I, Item 1A of our 2017 10-K, which risk factors are incorporated by reference into this prospectus supplement and the accompanying prospectus, as well as the other information contained or incorporated by reference into this prospectus supplement and the accompanying prospectus, before making a decision whether to invest in our notes. See Incorporation of Certain Documents by Reference in this prospectus supplement for information about how you can obtain or view copies of incorporated information.

USE OF PROCEEDS

We will receive net proceeds from this offering of approximately \$2,971,295,500 after deducting underwriting discounts and other expenses of the offering payable by us. We intend to use the net proceeds from this offering for general corporate purposes, which may include refinancing commercial paper borrowings, which were incurred for working capital purposes, or redeeming, repurchasing or repaying outstanding securities, including our 1.700% notes due February 15, 2019 and our 1.625% notes due March 15, 2019, or other debt. As of September 30, 2018, we had approximately \$20 million of commercial paper outstanding, with a weighted-average annual interest rate of 2.1%. As of September 30, 2018, \$750,000,000 principal amount of our 1.700% notes due February 15, 2019 was outstanding and \$500,000,000 principal amount of our 1.625% notes due March 15, 2019 was outstanding.

We will temporarily invest any net proceeds not used immediately in short-term, interest-bearing obligations.

Table of Contents

DESCRIPTION OF THE NOTES

In this section, the terms we, our, us and UnitedHealth Group refer solely to UnitedHealth Group Incorporated and its subsidiaries.

The notes will be senior debt securities as described in the section captioned Description of Debt Securities in the accompanying prospectus. The following information concerning the notes supplements the information set forth in that section of the accompanying prospectus. It should be read together with the description of debt securities in the accompanying prospectus and the terms of the notes in the indenture, dated as of February 4, 2008, between us and U.S. Bank National Association, as trustee. The indenture is incorporated by reference into the registration statement which includes the accompanying prospectus. We will offer the 2024 notes, the 2025 notes, the 2028 notes and the 2048 notes as separate series under such indenture. Each series of notes also will be issued under and be subject to the terms of individual officers' certificates and company orders pursuant to the indenture, which are incorporated by reference into the registration statement which includes the accompanying prospectus.

If any of the information set forth below is inconsistent with information in the accompanying prospectus, the information set forth below replaces the information in the accompanying prospectus.

The notes will be our senior, unsecured obligations and will rank equally in right of payment with all of our other unsecured and unsubordinated indebtedness from time to time outstanding. Our assets consist primarily of equity in our subsidiaries. As a result, our ability to make payments on the notes depends on our receipt of dividends, loan payments and other funds from our subsidiaries. In addition, if any of our subsidiaries becomes insolvent, the direct creditors of that subsidiary will have a prior claim on its assets. Our rights and the rights of our creditors, including your rights as an owner of the notes, will be subject to that prior claim, unless we also are a direct creditor of that subsidiary. This subordination of creditors of a parent company to prior claims of creditors of its subsidiaries is commonly referred to as structural subordination.

Title, Principal Amount, Maturity and Interest

The 2024 notes are designated as our 3.500% notes due February 15, 2024, the 2025 notes are designated as our 3.700% notes due December 15, 2025, the 2028 notes are designated as our 3.875% notes due December 15, 2028 and the 2048 notes are designated as our 4.450% notes due December 15, 2048.

The notes are initially limited in aggregate principal amount to \$750,000,000 for the 2024 notes, \$300,000,000 for the 2025 notes, \$850,000,000 for the 2028 notes and \$1,100,000,000 for the 2048 notes. We may at any time and from time to time, without the consent of the existing holders of the applicable series of notes, issue additional notes having the same ranking, interest rate, maturity date, redemption terms and other terms as any series of notes being offered under this prospectus supplement, except that if the additional notes are not fungible for U.S. federal income tax purposes with such series of notes being offered under this prospectus supplement, the additional notes will be issued under a separate CUSIP number. Any such additional notes, together with the notes having the same terms offered by this prospectus supplement, will constitute a single series of securities under the indenture. No additional notes may be issued if an event of default under the indenture has occurred with respect to the applicable series of notes. There is no limitation on the amount of other senior debt securities that we may issue under the indenture.

The 2024 notes will mature and become due and payable, together with any accrued and unpaid interest, on February 15, 2024. The 2025 notes will mature and become due and payable, together with any accrued and unpaid interest, on December 15, 2025. The 2028 notes will mature and become due and payable, together with any accrued and unpaid interest, on December 15, 2028. The 2048 notes will mature and become due and payable, together with any

accrued and unpaid interest, on December 15, 2048. We may redeem any series of notes at our option, either in whole or in part, before they mature. See [Optional Redemption](#) below. If a

S-5

Table of Contents

change of control triggering event as described herein occurs, unless we have exercised our option to redeem all notes of an applicable series, we will be required to offer to repurchase such series of notes, in each case at the prices described in this prospectus supplement. See **Change of Control Offer** below.

If any interest payment date, the maturity date or any date of repurchase or redemption date for any note falls on a day that is not a business day, we will postpone the payment of principal and interest to the next succeeding business day, but the payment made on such date will be treated as being made on the date that the payment was first due and the holders of the notes will not be entitled to any further interest or other payments with respect to such postponement. When we use the term business day, we mean any day except a Saturday, a Sunday or a day on which banking institutions in New York, New York or Minneapolis, Minnesota are authorized or required by law, regulation or executive order to close.

The interest payable by us on a note on any interest payment date, subject to certain exceptions, will be paid to the person in whose name the note is registered at the close of business on the applicable record date, whether or not a business day, immediately preceding the interest payment date.

The 2024 notes will bear interest at a rate of 3.500% per year from December 17, 2018 or from the most recent interest payment date to which we paid or provided for interest on the notes until their principal is paid. We will pay interest on the 2024 notes semi-annually in arrears on each February 15 and August 15. The first interest payment date will be February 15, 2019. The regular record dates for payments of interest are the February 1 and August 1 immediately preceding the applicable interest payment date (whether or not a business day). Each payment of interest will include accrued and unpaid interest to, but not including, the interest payment date. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The 2025 notes will bear interest at a rate of 3.700% per year from December 17, 2018 or from the most recent interest payment date to which we paid or provided for interest on the notes until their principal is paid. We will pay interest on the 2025 notes semi-annually in arrears on each June 15 and December 15. The first interest payment date will be June 15, 2019. The regular record dates for payments of interest are the June 1 and December 1 immediately preceding the applicable interest payment date (whether or not a business day). Each payment of interest will include accrued and unpaid interest to, but not including, the interest payment date. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The 2028 notes will bear interest at a rate of 3.875% per year from December 17, 2018 or from the most recent interest payment date to which we paid or provided for interest on the notes until their principal is paid. We will pay interest on the 2028 notes semi-annually in arrears on each June 15 and December 15. The first interest payment date will be June 15, 2019. The regular record dates for payments of interest are the June 1 and December 1 immediately preceding the applicable interest payment date (whether or not a business day). Each payment of interest will include accrued and unpaid interest to, but not including, the interest payment date. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The 2048 notes will bear interest at a rate of 4.450% per year from December 17, 2018 or from the most recent interest payment date to which we paid or provided for interest on the notes until their principal is paid. We will pay interest on the 2048 notes semi-annually in arrears on each June 15 and December 15. The first interest payment date will be June 15, 2019. The regular record dates for payments of interest are the June 1 and December 1 immediately preceding the applicable interest payment date (whether or not a business day). Each payment of interest will include accrued and unpaid interest to, but not including, the interest payment date. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

Form and Denominations

Notes will be issued in registered form only, without coupons, in denominations of \$2,000 and whole multiples of \$1,000 in excess thereof.

S-6

Table of Contents

Book-Entry Issuance

The Depository Trust Company, or DTC, will act as securities depository for the notes. The 2024 notes, the 2025 notes, the 2028 notes and the 2048 notes each will be initially represented by one or more global notes registered in the name of DTC or its nominee. For additional information concerning DTC and its procedures, see the section captioned "Description of Debt Securities Book-Entry Issuance, Clearing and Settlement" in the accompanying prospectus.

Same-Day Settlement

Settlement for the notes will be made by the underwriters in immediately available funds. The notes will trade in DTC's system until maturity. As a result, DTC will require secondary trading activity in the notes to be settled in immediately available funds.

Optional Redemption

Prior to February 15, 2024 (their maturity date), in the case of the 2024 notes, prior to December 15, 2025 (their maturity date), in the case of the 2025 notes, prior to December 15, 2028 (their maturity date), in the case of the 2028 notes and prior to June 15, 2048 (six months prior to their maturity date) (the "2048 par call date"), in the case of the 2048 notes, the 2024 notes, the 2025 notes, the 2028 notes and the 2048 notes will be redeemable, in whole or in part, at any time and from time to time, at our option, on not less than 30 nor more than 60 days' notice by mail, at a redemption price equal to the greater of (1) 100% of the principal amount of the applicable series of notes to be redeemed and (2) (i) in the case of the 2024 notes, the 2025 notes and the 2028 notes, the sum of the present values of the remaining scheduled payments of principal and interest on the notes to be redeemed (excluding the portion of any such interest accrued to the redemption date) discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Yield (as defined below), plus 12.5 basis points in the case of the 2024 notes, plus 15 basis points in the case of the 2025 notes and plus 15 basis points in the case of the 2028 notes, plus, in each case, accrued and unpaid interest thereon to, but not including, the redemption date; and (ii) in the case of the 2048 notes, the sum of the present values of the remaining scheduled payments of principal and interest on the notes to be redeemed (excluding the portion of any such interest accrued to the redemption date) that would be due if such notes matured on the 2048 par call date, discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Yield (as defined below), plus 20 basis points, plus accrued and unpaid interest thereon to, but not including, the redemption date.

At any time on or after the 2048 par call date, the 2048 notes will be redeemable, in whole or in part at any time and from time to time, at our option, on not less than 30 nor more than 60 days' notice by mail, at a redemption price equal to 100% of the principal amount of the 2048 notes to be redeemed plus accrued and unpaid interest thereon to, but not including, the redemption date.

For this purpose, the following terms have the following meanings:

Treasury Yield means, with respect to any redemption date, the rate per year equal to the semi-annual equivalent yield to maturity or interpolated (on a day-count basis) yield to maturity of the applicable Comparable Treasury Issue, assuming a price for such Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the applicable Comparable Treasury Price for such redemption date.

Comparable Treasury Issue means the United States Treasury security selected by an Independent Investment Banker appointed by the trustee under the indenture after consultation with us as having an actual or interpolated maturity comparable to the remaining term of the notes being redeemed (assuming in the case of the 2048 notes that such series of notes matured on the 2048 par call date), or such other maturity that would be utilized at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the notes being redeemed.

S-7

Table of Contents

Comparable Treasury Price means, with respect to any redemption date, (1) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations for such redemption date, or (2) if the trustee under the indenture obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such Reference Treasury Dealer Quotations.

Independent Investment Banker means any of J.P. Morgan Securities LLC, Citigroup Global Markets Inc., Deutsche Bank Securities Inc., Mizuho Securities USA LLC, U.S. Bancorp Investments, Inc. or their respective successors or, if such firms are unwilling or unable to select the Comparable Treasury Issue, one of the remaining Reference Treasury Dealers appointed by the trustee under the indenture after consultation with us.

Reference Treasury Dealer means each of (1) J.P. Morgan Securities LLC, Citigroup Global Markets Inc., Deutsche Bank Securities Inc., Mizuho Securities USA LLC or their affiliates; (2) any other primary U.S. Government securities dealer in the United States (a **Primary Treasury Dealer**) designated by, and not affiliated with, J.P. Morgan Securities LLC, Citigroup Global Markets Inc., Deutsche Bank Securities Inc., Mizuho Securities USA LLC or U.S. Bancorp Investments, Inc.; provided, however, in the case of (1) and (2), that if any of the foregoing shall cease to be a Primary Treasury Dealer, we will appoint another Primary Treasury Dealer as a substitute for such entity; and (3) any other Primary Treasury Dealer selected by the trustee under the indenture.

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

A notice of redemption may provide that it is subject to certain conditions that will be specified in the notice. If those conditions are not met, the redemption notice will be of no effect and we will not be obligated to redeem such series of notes.

If we redeem less than all of any series of the notes at any time, selection of the notes for redemption will be made by the trustee under the indenture on:

a pro rata basis (and in a manner that complies with applicable legal and stock exchange requirements, if any); or

by any other method as the trustee under the indenture shall deem fair and appropriate.

Sinking Fund

The notes do not have the benefit of any sinking fund.

Change of Control Offer

If a Change of Control Triggering Event occurs with respect to the 2024 notes, the 2025 notes, the 2028 notes or the 2048 notes, unless we have exercised our option to redeem all such notes of the applicable series of notes as described above, we will be required to make an offer (a Change of Control Offer) to each holder of such series of notes and of each other applicable series of notes with respect to which such Change of Control Triggering Event has occurred to repurchase all or any part (equal to \$2,000 or an integral multiple of \$1,000 in excess thereof) of that holder's notes on the terms set forth in such notes. In a Change of Control Offer, we will be required to offer payment in cash equal to 101% of the aggregate principal amount of notes repurchased, plus accrued and unpaid interest, if any, on the notes repurchased to, but not including, the date of repurchase (a

Table of Contents

Change of Control Payment). Within 30 days following any Change of Control Triggering Event or, at our option, prior to any Change of Control, but after public announcement of the transaction that constitutes or may constitute the Change of Control, a notice will be transmitted to the holders of the 2024 notes, the 2025 notes, the 2028 notes or the 2048 notes, as the case may be, describing the transaction that constitutes or may constitute the Change of Control Triggering Event and offering to repurchase such notes on the date specified in the applicable notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is transmitted (a Change of Control Payment Date). The notice will, if transmitted prior to the date of consummation of the Change of Control, state that the Change of Control Offer is conditioned on the Change of Control Triggering Event occurring on or prior to the applicable Change of Control Payment Date.

On each Change of Control Payment Date, we will, to the extent lawful:

accept for payment all notes or portions of notes properly tendered pursuant to the applicable Change of Control Offer;

deposit with the paying agent an amount equal to the Change of Control Payment in respect of all notes or portions of notes properly tendered; and

deliver or cause to be delivered to the trustee under the indenture the notes properly accepted together with an officers certificate stating the aggregate principal amount of notes or portions of notes being repurchased. We will not be required to make a Change of Control Offer upon the occurrence of a Change of Control Triggering Event if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for an offer made by us and the third party purchases all notes properly tendered and not withdrawn under its offer. In addition, we will not repurchase any notes if there has occurred and is continuing on the Change of Control Payment Date an event of default under the indenture, other than a default in the payment of the Change of Control Payment upon a Change of Control Triggering Event.

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

For purposes of the Change of Control Offer provisions of the notes, the following terms have the following meanings:

Change of Control means the occurrence of any of the following: (1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or more series of related transactions, of all or substantially all of our assets and the assets of our subsidiaries, taken as a whole, to any person, other than our company or one of our subsidiaries; (2) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any person

becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of our outstanding Voting Stock or other Voting Stock into which our Voting Stock is reclassified, consolidated, exchanged or changed, measured by voting power rather than number of shares; (3) we consolidate with, or merge with or into, any person, or any person consolidates with, or merges with or into, us, in any such event pursuant to a transaction in which any of our outstanding Voting Stock or the Voting Stock of such other person is converted into or exchanged for cash, securities or other property, other than any such transaction where the shares of our Voting Stock outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the Voting Stock of the surviving person or any direct or indirect parent company of the surviving person immediately after giving effect to such

S-9

Table of Contents

transaction; (4) the first day on which a majority of the members of our Board of Directors are not Continuing Directors; or (5) the adoption of a plan relating to our liquidation or dissolution. Notwithstanding the foregoing, a transaction will not be deemed to involve a Change of Control under clause (2) above if (i) we become a direct or indirect wholly-owned subsidiary of a holding company and (ii) (A) the direct or indirect holders of the Voting Stock of such holding company immediately following that transaction are substantially the same as the holders of our Voting Stock immediately prior to that transaction or (B) immediately following that transaction no person (other than a holding company satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such holding company. The term person, as used in this definition, has the meaning given thereto in Section 13(d)(3) of the Exchange Act.

Change of Control Triggering Event means the occurrence of both a Change of Control and a Rating Event.

Continuing Directors means, as of any date of determination, any member of our Board of Directors who (1) was a member of such Board of Directors on the date the notes were issued or (2) was nominated for election, elected or appointed to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination, election or appointment (either by a specific vote or by approval of our proxy statement in which such member was named as a nominee for election as a director).

Fitch means Fitch, Inc., and its successors.

Investment Grade Rating means a rating equal to or higher than BBB- (or the equivalent) by Fitch, Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by S&P, and the equivalent investment grade credit rating from any replacement Rating Agency or Rating Agencies selected by us.

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

Rating Agencies means (1) each of Fitch, Moody's and S&P, and (2) if any of Fitch, Moody's or S&P ceases to rate the notes or fails to make a rating of the notes publicly available for reasons outside of our control, a nationally recognized statistical rating organization within the meaning of Section 3(a)(62) under the Exchange Act selected by us (as certified by a resolution of our Board of Directors) as a replacement agency for Fitch, Moody's or S&P, or all of them, as the case may be.

Rating Event means (A) with respect to the 2024 notes, the rating on the 2024 notes is lowered by each of the three Rating Agencies and the 2024 notes are rated below an Investment Grade Rating by each of the three Rating Agencies, (B) with respect to the 2025 notes, the rating on the 2025 notes is lowered by each of the three Rating Agencies and the 2025 notes are rated below an Investment Grade Rating by each of the three Rating Agencies, (C) with respect to the 2028 notes, the rating on the 2028 notes is lowered by each of the three Rating Agencies and the 2028 notes are rated below an Investment Grade Rating by each of the

three Rating Agencies and (D) with respect to the 2048 notes, the rating on the 2048 notes is lowered by each of the three Rating Agencies and the 2048 notes are rated below an Investment Grade Rating by each of the three Rating Agencies, in any case on any day during the period (which period will be extended so long as the rating of the applicable notes is under publicly announced consideration for a possible downgrade by any of the Rating Agencies) commencing on the date of the first public notice of the occurrence of a Change of Control or our intention to effect a Change of Control and ending 60 days following consummation of such Change of Control.

S&P means S&P Global Ratings, a division of S&P Global Inc., and its successors.

Voting Stock means, with respect to any specified person (as that term is used in Section 13(d)(3) of the Exchange Act) as of any date, the capital stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person.

S-10

Table of Contents

Certain Covenants

Merger, Consolidation or Sale of Assets

The indenture provides that we may not consolidate or merge with or into another company or sell or lease all or substantially all of our property or assets to another company unless:

we are the continuing corporation, or the successor corporation is a domestic corporation and expressly assumes the payment of principal and interest on the notes and the performance and observance of all the covenants and conditions of the indenture binding on us; and

immediately after such transaction, we are not, or the successor corporation is not, in default in the performance of a covenant or condition in the indenture.

Reports

The indenture provides that as long as any notes are outstanding, we will file with the trustee under the indenture, within 15 days after we file the same with the SEC, copies of the annual reports and of the information, documents and other reports which we may be required to file with the SEC pursuant to Section 13 or Section 15(d) of the Exchange Act. The filing of such reports, information and documents with the SEC will constitute filing of such reports, information and documents with the trustee; provided, however, that we will provide a physical or electronic copy thereof to the trustee promptly following a request therefor from the trustee.

Absence of Certain Covenants

We are not restricted by the indenture from, among other things, incurring, assuming or becoming liable for any type of debt or other obligations, paying dividends or making distributions on our capital stock or purchasing or redeeming our capital stock, or making investments. The indenture does not require the maintenance of any financial ratios or specified levels of net worth or liquidity. In addition, the indenture does not contain any covenants or other provisions that would limit our right to enter into any sale-leaseback transaction or grant liens on our assets.

Trustee, Registrar and Paying Agent

U.S. Bank National Association, 60 Livingston Avenue, EP-MN-WS3C, St. Paul, Minnesota 55107-2292, serves as trustee under the indenture and has been appointed registrar and paying agent for the notes.

Defeasance

The notes are subject to legal defeasance and covenant defeasance as described in the section called "Description of Debt Securities - Defeasance Provisions" in the accompanying prospectus.

Governing Law

The indenture and the notes are governed by and will be construed in accordance with New York law.

Table of Contents

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following discussion summarizes the material United States federal income tax considerations of the purchase, ownership and disposition of the notes. The following discussion does not purport to be a complete analysis of all potential tax effects. The discussion is based upon the Internal Revenue Code of 1986, as amended, or the Code, United States Treasury Regulations, rulings and pronouncements of the Internal Revenue Service, or IRS, and judicial decisions in effect as of the date of this prospectus supplement, any of which subsequently may be changed, possibly retroactively, or interpreted differently by the IRS, so as to result in United States federal income tax consequences different from those discussed below.

The following discussion does not address all of the United States federal income tax consequences that may be relevant to a holder in light of such holder's particular circumstances or to holders subject to special rules, such as financial institutions, insurance companies, dealers in securities or currencies, partnerships or other pass-through entities, expatriates, tax-exempt organizations, persons holding the notes as part of a straddle, hedge, conversion or constructive sale, or other integrated transaction for tax purposes, regulated investment companies, real estate investment trusts, traders in securities that elect to use a mark-to-market method of accounting for their securities, former citizens or residents of the United States, accrual method taxpayers that are required to recognize income for United States federal income tax purposes no later than when such income is taken into account in applicable financial statements, and United States Holders (as defined below) with a functional currency other than the U.S. dollar. In addition, this summary deals only with a note held as a capital asset within the meaning of Section 1221 of the Code by a beneficial owner who purchases the note on original issuance at the first price at which a substantial amount of the notes of that series are sold for cash to persons other than bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers, which we refer to as the issue price. Moreover, the effect of any alternative minimum tax, the Medicare tax on investment income, applicable state, local or foreign tax laws or of United States federal tax law other than income taxation is not discussed.

As used herein, United States Holder means a beneficial owner of notes who or that is:

- (1) an individual who is a citizen or resident of the United States, including an alien resident who is a lawful permanent resident of the United States or meets the substantial presence test under Section 7701(b) of the Code;
- (2) a corporation (or other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- (3) an estate, the income of which is subject to United States federal income taxation regardless of its source; or
- (4) a trust if (i) (A) a United States court is able to exercise primary supervision over the administration of the trust and (B) one or more United States persons have authority to control all substantial decisions of the trust, or (ii) the trust has a valid election in effect under applicable United States Treasury Regulations to be treated as a United States person.

As used herein, a non-United States Holder means a beneficial owner of notes, other than a partnership (or other entity treated as a partnership for United States federal income tax purposes), who or that is not a United States Holder.

If a partnership (including for this purpose any entity treated as a partnership for United States federal income tax purposes) is a beneficial owner of notes, then the tax treatment of a partner in the partnership generally will depend upon the status of the partner and upon the activities of the partnership. A holder of notes that is a partnership, and partners in such partnership, are urged to consult their tax advisors about the United States federal income tax consequences of purchasing, owning and disposing of the notes.

S-12

Table of Contents

We have not sought and will not seek any rulings from the IRS with respect to the matters discussed below. There can be no assurance that the IRS will not take a different position concerning the tax consequences of the purchase, ownership or disposition of the notes or that any such position would not be sustained.

PERSONS CONSIDERING THE PURCHASE OF NOTES ARE URGED TO CONSULT THEIR INDEPENDENT TAX ADVISORS WITH REGARD TO THE APPLICATION OF THE TAX CONSEQUENCES DISCUSSED BELOW TO THEIR PARTICULAR SITUATIONS, AS WELL AS THE APPLICATION OF ANY STATE, LOCAL, FOREIGN OR OTHER TAX LAWS, INCLUDING GIFT AND ESTATE TAX LAWS.

Contingent Payments

In certain circumstances (see *Description of the Notes* *Change of Control Offer*), we may be obligated to pay amounts on the notes that are in excess of stated interest on or principal of the notes. We intend to take the position that the likelihood that we will be required to make such payments is remote as of the issue date of the notes and therefore that these provisions do not cause the notes to be treated as contingent payment debt instruments within the meaning of the applicable Treasury Regulations. However, additional income will be recognized by a holder of notes if any such additional payment is made. Our position that the contingencies described above are remote is binding on a holder, unless the holder discloses in the proper manner to the IRS that it is taking a different position. If the IRS successfully challenged our position, then the notes could be treated as contingent payment debt instruments, in which case holders could be required to accrue interest income at a rate higher than the stated interest rate on the notes and to treat as ordinary income, rather than capital gain, any gain recognized on a sale, exchange, retirement or redemption of a note. The remainder of this discussion assumes that the notes will not be treated as contingent payment debt instruments.

United States Holders

Interest

Interest on the notes generally will be taxable to a United States Holder as ordinary income at the time that it is paid or accrued, in accordance with the United States Holder's method of accounting for United States federal income tax purposes.

Sale, Retirement, Redemption or Other Taxable Disposition of a Note

A United States Holder of a note will recognize gain or loss upon the sale, retirement, redemption or other taxable disposition of such note in an amount equal to the difference between: