

CROWN CASTLE INTERNATIONAL CORP
 Form 424B5
 January 23, 2009
Table of Contents

Filed pursuant to Rule 424(b)(5)

SEC File No. 333-156781

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Offered (1)	Proposed Maximum Offering Price	Proposed	Amount of Registration Fee (1)
			Maximum Aggregate Offering Price	
9.00% Senior Notes due 2015	\$900,000,000	90.416%	\$813,744,000	\$31,980.14(1)

(1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended. This Calculation of Registration Fee table shall be deemed to update the Calculation of Registration Fee table in the registrant's Registration Statement on Form S-3 (File No. 333-156781).

Table of Contents

Prospectus Supplement

(To Prospectus Dated January 16, 2009)

\$900,000,000

CROWN CASTLE INTERNATIONAL CORP.

9.00% SENIOR NOTES DUE 2015

Interest payable on January 15 and July 15

We are offering \$900,000,000 aggregate principal amount of 9.00% Senior Notes due 2015. The notes will bear interest at a rate of 9.00% per year, payable on January 15 and July 15 of each year, beginning July 15, 2009. The notes will mature on January 15, 2015.

We may redeem some or all of the notes at any time on or after January 15, 2013. We may also redeem some or all of the notes prior to such date pursuant to a make-whole provision. In addition, we may also redeem on or before January 15, 2012 up to 35% of the notes using the proceeds of certain equity offerings. If we sell certain of our assets or experience specific kinds of changes in control, we must offer to repurchase the notes.

The notes will rank equally with all our existing and future senior debt and senior to all our future subordinated debt. The notes will effectively rank junior to all our secured indebtedness to the extent of the value of the assets securing such indebtedness. The notes will be structurally subordinated to all existing and future liabilities and obligations of our subsidiaries. Our subsidiaries will not be guarantors of the notes.

*For a more detailed description of the notes, see **Description of Notes**, beginning on page S-13.*

Investing in the notes involves risk. See Risk Factors beginning on page S-5 of this prospectus supplement.

PRICE: 90.416% AND ACCRUED INTEREST, IF ANY

	Price to Public (1)	Underwriting Discounts and Commissions	Proceeds to Company
Per Note	90.416%	2.000%	88.416%
Total	\$813,744,000	\$ 18,000,000	\$ 795,744,000

(1) Before expenses and plus accrued interest, if any, from January 27, 2009.

Neither the Securities and Exchange Commission nor any other regulatory body 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.

The notes offered by this prospectus supplement will not be listed on any securities exchange and there is no existing trading market for the notes.

Edgar Filing: CROWN CASTLE INTERNATIONAL CORP - Form 424B5

The underwriters expect to deliver the notes on or about January 27, 2009, only in book-entry form through the facilities of The Depository Trust Company.

Joint-Lead and Joint Bookrunning Managers

MORGAN STANLEY

BANC OF AMERICA SECURITIES LLC

Joint-Lead Managers

RBS GREENWICH CAPITAL

BARCLAYS CAPITAL

DEUTSCHE BANK SECURITIES

Co-Managers

CALYON

January 22, 2009

TD SECURITIES

Table of Contents

TABLE OF CONTENTS

Prospectus Supplement

<u>About this Prospectus Supplement</u>	S-ii
<u>Cautionary Statement Concerning Forward-Looking Statements</u>	S-ii
<u>Prospectus Supplement Summary</u>	S-1
<u>Risk Factors</u>	S-5
<u>Use of Proceeds</u>	S-11
<u>Capitalization</u>	S-12
<u>Description of Notes</u>	S-13
<u>Material United States Federal Income Tax Considerations</u>	S-50
<u>Underwriting</u>	S-53
<u>Validity of the Notes</u>	S-56
<u>Independent Auditors</u>	S-56

Prospectus

<u>About this Prospectus</u>	1
<u>The Company</u>	2
<u>Risk Factors</u>	3
<u>Cautionary Statement Concerning Forward-Looking Statements</u>	4
<u>Selling Security Holders</u>	5
<u>Use of Proceeds</u>	6
<u>Ratio of Earnings to Fixed Charges and Earnings to Combined Fixed Charges and Preferred Stock Dividends</u>	7
<u>Description of Debt Securities</u>	8
<u>Description of Capital Stock</u>	18
<u>Description of Warrants</u>	23
<u>Plan of Distribution</u>	24

Table of Contents	4
-------------------	---

<u>Legal Matters</u>	26
<u>Experts</u>	27
<u>Where You Can Find More Information</u>	28

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus or any free writing prospectus prepared by or on behalf of us. We have not authorized anyone to provide you with additional or different information. We are not making an offer to sell these notes in any jurisdiction where the offer is not permitted. You should assume that the information contained in this prospectus supplement or the accompanying prospectus is accurate only as of the date on the front of this prospectus supplement and that any information we have incorporated by reference is accurate only as of the date of the document incorporated by reference. Our business, financial condition, results of operations and prospects may have changed since these dates.

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

Unless the context otherwise requires, the terms Crown Castle, we, our, our company, the Company and us refer to Crown Castle International Corp., a Delaware corporation, and its subsidiaries on a consolidated basis.

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering and certain other matters. The second part, the prospectus, gives more general information about us and our debt securities and capital stock. Generally, when we refer to this prospectus, we are referring to both parts of this document combined. To the extent information in this prospectus supplement conflicts with information in the accompanying prospectus, you should rely on the information in this prospectus supplement.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

The statements contained in or incorporated by reference in this prospectus supplement include certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations, business strategies, operating efficiencies or synergies, competitive positions, growth opportunities for existing products, plans and objectives of management, markets for our capital stock and other matters. Statements contained in this prospectus supplement or incorporated by reference in this prospectus supplement that are not historical facts are identified as forward-looking statements for the purpose of the safe harbor provided by Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and Section 27A of the Securities Act of 1933, as amended, or the Securities Act. These forward-looking statements, including those relating to future business prospects, revenues and income, wherever they occur in this prospectus supplement or documents incorporated by reference in this prospectus supplement, are necessarily estimates reflecting the best judgment of our senior management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. These forward-looking statements should, therefore, be considered in light of various important factors, including those set forth or incorporated by reference in this prospectus supplement. Important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include those factors described in the section entitled Risk Factors beginning on page S-5 of this prospectus supplement, page 3 of the accompanying prospectus and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2007, as updated by annual, quarterly and other reports and documents we file with the Securities and Exchange Commission, or the SEC, and that are incorporated by reference herein.

Words such as estimate, anticipate, project, plan, intend, believe, expect, likely and similar expressions are intended to identify forward-looking statements. These forward-looking statements are found at various places throughout this prospectus supplement and the other documents incorporated by reference herein. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this prospectus supplement or the date of the other documents incorporated by reference herein. Readers also should understand that it is not possible to predict or identify all such factors and that the risk factors as listed in our filings should not be considered a complete statement of all potential risks and uncertainties. Readers should also realize that if underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could vary materially from our projections. We undertake no obligation to update any forward-looking statements as a result of future events or developments.

Table of Contents

PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights information from this prospectus supplement and may not contain all the information that may be important to you. Accordingly, you should read this entire prospectus supplement, the accompanying prospectus and the information incorporated by reference herein and therein, including the financial data and related notes, before making an investment decision. You may obtain a copy of the documents incorporated by reference by following the instructions in the section entitled "Where You Can Find More Information" in the accompanying prospectus. You should pay special attention to the "Risk Factors" sections of this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein to determine whether an investment in the notes is appropriate for you.

The Business

We own, operate and lease towers and other communication structures, including certain rooftop installations, which we refer to as towers, for wireless communications. As of December 31, 2008, we owned, leased or managed approximately 24,100 towers, including approximately 22,300 towers in the United States and approximately 1,600 towers in Australia, with the remainder of our towers located in Puerto Rico and Canada. As of December 31, 2008, we owned in fee or had perpetual or long-term easements in the land and other properties on which approximately 5,500 of our towers reside, and we leased, subleased or licensed the land on which approximately 17,600 of our towers reside. In addition, we managed approximately 700 towers owned by third parties where we had the right to market space on the tower or where we had sublease agreements with the tower owner. Our customers include many of the world's major wireless communication companies, including Sprint Nextel, AT&T, Verizon Wireless and T-Mobile in the United States and Optus, Vodafone, Telstra and Hutchison in Australia.

Our core business is the renting of antenna space on our towers to wireless communication companies under long-term contracts. Generally, our towers can accommodate multiple customers for antennas and other equipment necessary for the transmission of wireless signals for mobile telephones and other devices. Our site rental leasing revenues are derived from this core business, which we are seeking to grow by adding more tenants on our existing towers. This leasing business represented approximately 92% of our consolidated revenues for the nine months ended September 30, 2008.

Our tower portfolios consist primarily of towers in various metropolitan areas. As of December 31, 2008, approximately 54% and 71% of our towers in the United States and Puerto Rico were located in the 50 and 100 largest basic trading areas, respectively. Through our Australia tower portfolio, we have a strategic presence in each of Australia's major metropolitan areas, including Sydney, Melbourne, Brisbane, Adelaide and Perth.

To a much lesser extent, we also provide certain network services relating to our towers, including antenna installation and subsequent augmentation, network design and site selection, site acquisition, site development and other services.

Our principal executive offices are located at 1220 Augusta Drive, Suite 500, Houston, Texas 77057, and our telephone number is (713) 570-3000.

Recent Developments

Our Revolving Credit Facility

On January 6, 2009, we extended the maturity date of our revolving credit facility for 364 days (to January 5, 2010). The revolving credit facility is made available pursuant to our existing credit agreement dated as of January 9, 2007, as amended. Under the terms of the extended facility, we received total revolving commitments of \$188 million, of which \$158 million was drawn as of that date.

Table of Contents

THE OFFERING

The summary below describes the principal terms of the notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The Description of Notes section of this prospectus supplement contains a more detailed description of the terms and conditions of the notes. As used in this section, the Company, we, our and us refer to Crown Castle International Corp. and not to its consolidated subsidiaries.

Issuer	Crown Castle International Corp.
Securities Offered	\$900,000,000 principal amount of 9.00% Senior Notes due 2015.
Maturity	January 15, 2015.
Interest Rate and Payment Dates	The notes will have an interest rate of 9.00% per annum, payable in cash on each January 15 and July 15, commencing July 15, 2009.
Optional Redemption	On or after January 15, 2013, we may redeem some or all of the notes at any time at the redemption prices listed under Description of Notes Optional Redemption. We may also redeem some or all of the notes prior to January 15, 2013 at 100% of their principal amount, together with accrued and unpaid interest, if any, plus a make-whole premium. In addition, before January 15, 2012, we may redeem up to 35% of the notes with the proceeds of certain equity offerings at the price listed under Description of Notes Optional Redemption.
Ranking	The notes constitute our senior debt and rank equally in right of payment with all of our existing and future senior debt, but will be effectively junior in right of payment to the extent of assets securing our other senior debt. Substantially all of our significant assets are the capital stock of our subsidiaries and the notes will not be guaranteed by our subsidiaries. As a result, the notes will be structurally subordinated to all debt and other liabilities of our subsidiaries, including borrowings under their credit facilities.
Mandatory Offer to Repurchase	If we sell certain assets, or experience specific kinds of changes of control, we must offer to repurchase the notes at the price listed under Description of Notes Repurchase at the Option of Holders.
Certain Covenants	We will issue the notes under an indenture with The Bank of New York Mellon Trust Company, N.A. The terms of the notes will, among other things, restrict our ability and the ability of our subsidiaries to: <ul style="list-style-type: none"> borrow money; pay dividends on or repurchase capital stock;

make investments;

use assets as security in other transactions; and

sell assets or merge with or into other companies.

S-2

Table of Contents

The covenants are subject to a number of exceptions and qualifications. In addition, if the notes are assigned an investment grade rating by Moody's and Standard & Poor's and no default or event of default has occurred or is continuing, certain covenants relating to the notes will be suspended. If either rating on the notes should subsequently decline to below investment grade, the suspended covenants would be reinstated. For more details, see "Description of Notes - Certain Covenants."

Original Issue Discount

The notes will be issued with original issue discount for U.S. federal income tax purposes. Accordingly, such original issue discount will accrue from the issue date of the notes and will be included as interest income periodically in a U.S. holder's gross income for U.S. federal income tax purposes in advance of receipt of the cash payments to which the income is attributable. See "Material United States Federal Income Tax Considerations."

In addition, on July 15, 2014, we will be required to redeem for cash a portion of each note in order to prevent such note from being treated as an applicable high yield discount obligation. See "Description of Notes - Mandatory Redemption."

Trading and Listing

The notes will not be listed on any securities exchange. There is no existing trading market for the notes.

Use of Proceeds

We expect to use the net proceeds of this offering for general corporate purposes, including the repurchase or repayment of certain outstanding indebtedness of our subsidiaries.

Risk Factors

See "Risk Factors" beginning on page S-5 of this prospectus supplement and page 3 of the accompanying prospectus for a discussion of factors to which you should refer and carefully consider prior to making an investment in the notes.

Table of Contents

Corporate Structure

The chart below depicts our summary and simplified corporate structure and our outstanding indebtedness, adjusted to reflect this offering, as of September 30, 2008.

- (1) We have total revolving commitments under our revolving credit facility of \$188.0 million, of which \$158.0 million was drawn as of January 21, 2009.

- (2) If the 2005 and 2006 tower revenue notes are not paid in full on or prior to the anticipated repayment dates of June 2010 and November 2011, respectively, then substantially all of the cash flows of our U.S. tower subsidiaries that comprised substantially all of our tower business prior to the Global Signal acquisition must be applied to make principal payments on the tower revenue notes thereafter. In addition, if the 2005 and 2006 tower revenue notes are not repaid in full by their anticipated repayment dates, then the interest rates on the tower revenue notes will increase by the greater of (i) 5% per annum over their current rates or (ii) the amount, if any, by which the sum of the following exceeds the note rate for a class of tower revenue notes: the yield to maturity on the applicable anticipated repayment date of the United States treasury security having a term closest to 10 years, plus 5%, plus the post-anticipated repayment date spread for such class of tower revenue notes.

Table of Contents

RISK FACTORS

Investing in the notes involves risks. Before purchasing any notes, you should carefully consider the specific factors discussed below, together with all the other information contained in this prospectus supplement, the accompanying prospectus or the documents incorporated by reference herein or therein. For a further discussion of the risks, uncertainties and assumptions relating to our business, please see the discussion under the caption "Risk Factors" included in our Annual Report on Form 10-K for the year ended December 31, 2007, as updated by annual, quarterly and other reports and documents we file with the SEC, which are incorporated by reference in this prospectus supplement and the accompanying prospectus.

Risks Relating to Our Business

The risks, uncertainties and assumptions associated with our business include:

Our business depends on the demand for wireless communications and towers, and we may be adversely affected by any slowdown in such demand.

A substantial portion of our revenues is derived from a small number of customers, and the loss, consolidation or financial instability of, or network sharing among, any of our limited number of customers may materially decrease revenues.

Consolidation among our customers may result in duplicate or overlapping parts of networks, which may result in a reduction of sites and have a negative effect on revenues and cash flows.

Our substantial level of indebtedness may adversely affect our ability to react to changes in our business, and we may not be able to refinance or repurchase our or our subsidiaries' existing debt on favorable terms or at all, or use debt to fund future capital needs.

A wireless communications industry slowdown may materially and adversely affect our business (including reducing demand for our towers and network services) and the business of our customers.

As a result of competition in our industry, including from some competitors with significantly more resources or less debt, we may find it more difficult to achieve favorable rental rates on our towers.

New technologies may significantly reduce demand for our towers and negatively impact our revenues.

New wireless technologies may not deploy or be adopted by customers as rapidly or in the manner projected.

If we fail to retain rights to the land under our towers, our business may be adversely affected.

If we are unable to raise capital in the future when needed, we may not be able to fund future growth opportunities.

The business of FiberTower Corporation, or FiberTower, in which we are an investor, has certain risk factors different from our core tower business, including an unproven business model, and may produce results that are less than anticipated resulting in a write-off

Edgar Filing: CROWN CASTLE INTERNATIONAL CORP - Form 424B5

of all or part of our investment in FiberTower.

Our lease relating to the U.S. nationwide 1650-1675 spectrum license, or Spectrum, has certain risk factors different from our core tower business, including that the Spectrum license may not be renewed

S-5

Table of Contents

or continued, that the option to acquire the Spectrum license may not be exercised, and that the Spectrum may not be deployed, which may result in the revenues derived from the Spectrum being less than those that may otherwise have been anticipated.

If we fail to comply with laws or regulations which regulate our business and which may change at any time, we may be fined or even lose our right to conduct some of our business.

Our network services business has historically experienced significant volatility in demand, which reduces the predictability of our results of operations.

If radio frequency emissions from wireless handsets or equipment on our towers are demonstrated to cause negative health effects, potential future claims could adversely affect our results of operations, costs and revenues.

We may suffer losses due to exposure to changes in foreign currency exchange rates relating to our operations outside the United States.

Risks Relating to the Notes and Our Debt Structure

We are a holding company. Holders of the notes will be effectively subordinated to all our subsidiaries' indebtedness and obligations, and the notes will be unsecured obligations.

We conduct all of our operations through our subsidiaries. Accordingly, our only source of cash to pay interest and principal on our outstanding indebtedness and our preferred stock is distributions relating to our ownership interests in our subsidiaries from the net earnings and cash flow generated by such subsidiaries or from proceeds of debt or equity offerings. Earnings and cash flow generated by our subsidiaries are first applied by such subsidiaries in conducting their operations, including the service of their respective debt obligations under our tower revenue notes, mortgage loans, revolving credit facility and term loans, as the case may be, after which any excess cash flow generally may be paid to us. However, our subsidiaries are legally distinct from us and, unless they guarantee such debt, have no obligation to pay amounts due on our debt or to make funds available to us for such payment.

The notes will be structurally subordinated to all existing and future indebtedness and other obligations of our subsidiaries. As of September 30, 2008 and before giving effect to the application of proceeds from this offering, our subsidiaries had approximately \$6.1 billion of outstanding indebtedness, all of which would be structurally senior to the notes. Under the terms of our subsidiary debt, the ability of certain of our subsidiaries to pay dividends or make distributions to us may be materially restricted. There can be no assurance that our subsidiaries will generate sufficient cash flow to meet their respective obligations under the applicable debt instruments, nor can we assure that excess cash flow, if any, of our subsidiaries will be available for payment to us or sufficient to satisfy our debt obligations, including interest and principal payments on the notes. For example, the terms of our tower revenue notes and mortgage loans place restrictions on the ability of the subsidiaries that are the issuers of such securitized debt to pay excess cash flow to us if a specified debt service coverage ratio (as defined in the applicable governing agreement) as of the end of any calendar quarter falls below a certain level. In addition, in the event we do not refinance or repay our tower revenue notes by their respective anticipated repayment dates (five years from their original issuances in 2005 and 2006), we will be required to apply substantially all the cash flow of our U.S. tower subsidiaries that comprised substantially all of our tower business prior to the Global Signal acquisition to make principal amortization payments on the tower revenue notes.

In addition, before giving effect to the application of proceeds from this offering, as of September 30, 2008, approximately \$5.3 billion of our consolidated indebtedness was secured, including our subsidiary's senior credit facility which is also secured by assets of Crown Castle International Corp. The notes will be unsecured obligations of Crown Castle International Corp., which is a holding company. Accordingly, even if an event of default exists under the indenture governing the notes, our secured lenders could foreclose on our assets and

Table of Contents

those of our subsidiaries in which they have been granted a security interest, in each case to the exclusion of any holder of the notes.

We have a substantial amount of indebtedness, a large portion of which will need to be refinanced in the near term. In the event we do not repay or refinance such indebtedness, we may not be able to access the cash flow of our subsidiaries.

We have a substantial amount of indebtedness (approximately \$6.1 billion as of September 30, 2008, before giving effect to this offering and the expected use of proceeds), and we anticipate refinancing the majority, if not all, of this indebtedness and our preferred stock within the next four years. If our tower revenue notes, which were issued by our U.S. tower subsidiaries that comprised substantially all of our tower business prior to the Global Signal acquisition and had an aggregate outstanding principal amount of \$3.45 billion as of September 30, 2008, are not repaid in full by their anticipated repayment dates (five years from their original issuances in 2005 and 2006), then the interest rates on those notes will increase substantially (by the greater of (i) an additional 5% per annum over their current rates or (ii) the amount, if any, by which the sum of the following exceeds the note rate for a class of tower revenue notes: the yield to maturity on the applicable anticipated repayment date of the United States treasury security having a term closest to 10 years, plus 5%, plus the post-anticipated repayment date spread for such class of tower revenue notes) and monthly amortization payments will commence. If this occurs, then substantially all of the cash flows of those tower subsidiaries must be applied to repay principal of the tower revenue notes. Our mortgage loans, which were issued by the Global Signal tower subsidiaries prior to our acquisition of Global Signal, in the aggregate principal amounts of \$289.9 million and \$1.55 billion, have contractual maturities in December 2009 and February 2011, respectively. If we fail to repay or refinance such mortgage loans when due, it would constitute an event of default under such mortgage loans, as well as our other indebtedness. We are also required to redeem all outstanding shares of our 6.25% convertible preferred stock in August 2012 for approximately \$323.0 million, including accrued but unpaid dividends. There can be no assurances we will be able to effect these anticipated refinancings on commercially reasonable terms, or terms, including with respect to interest rates, as favorable as our current debt and preferred stock, or at all.

In early 2007, a crisis began in the subprime mortgage sector, as a result of rising delinquencies and credit quality deterioration, and the conditions in the general credit markets have continued to deteriorate with widening credit spreads and a lack of liquidity, including certain debt markets being substantially closed. In addition to a lack of liquidity in the general credit markets, the current credit crisis has resulted in a widening of credit spreads in the marketplace in general and for us specifically. This crisis has adversely impacted our access to capital, and there can be no assurances that this credit crisis will not worsen or impact the availability and cost of debt financing, including with respect to any refinancings of the obligations described above.

If we are unable to refinance or renegotiate our debt, we cannot guarantee that we will be able to generate enough cash flow from operations or that we will be able to obtain enough capital to service our debt, pay our obligations under our convertible preferred stock or fund our planned capital expenditures. In such an event, we could face substantial liquidity issues and might be required to issue equity securities or securities convertible into equity securities, or sell some of our assets to meet our debt payment obligations. Failure to refinance indebtedness when required could result in a default under such indebtedness and materially restrict our ability to pay amounts due on the notes. We have the ability under our debt instruments to incur additional indebtedness, and any additional indebtedness we incur could exacerbate the risks described above.

Our substantial level of indebtedness could adversely affect our ability to react to changes in our business, and the terms of our debt instruments limit our ability to take a number of actions that our management might otherwise believe to be in our best interests. In addition, if we fail to comply with our covenants, our debt could be accelerated.

As a result of our substantial debt, demands on our cash resources are higher than they otherwise would be, which could negatively impact our business, results of operations and financial condition.

Table of Contents

As a result of our substantial indebtedness:

we may be more vulnerable to general adverse economic and industry conditions;

we may find it more difficult to obtain additional financing to fund future working capital, capital expenditures and other general corporate requirements or to refinance our existing indebtedness;

we may have more difficulty satisfying our obligations with respect to the notes;

we are required to dedicate a substantial portion of our cash flow from operations (approximately \$252.2 million of our total cash flow from operations for the nine months ended September 30, 2008) to the payment of principal and interest on our debt, reducing the available cash flow to fund other projects;

we may have limited flexibility in planning for, or reacting to, changes in our business and in the industry;

we may have a competitive disadvantage relative to other companies in our industry with less debt;

we may be required to issue equity securities or securities convertible into equity or sell some of our assets, possibly on unfavorable terms, in order to meet payment obligations; and

we may be limited in our ability to take advantage of strategic business opportunities, including tower development and mergers and acquisitions.

Currently we have debt instruments in place that limit in certain circumstances our ability to incur indebtedness, pay dividends, create liens, sell assets and engage in certain mergers and acquisitions. Our subsidiaries, under their debt instruments, are also required to maintain specific financial ratios. Our ability to comply with the financial ratio covenants under these instruments and to satisfy our debt obligations will depend on our future operating performance. If we fail to comply with the debt restrictions, we will be in default under those instruments, which in some cases would cause the maturity of substantially all of our long-term indebtedness to be accelerated, including the notes.

We may not be able to purchase the notes upon a change of control, which would result in a default under the indenture governing the notes and would adversely affect our business and financial condition.

Upon the occurrence of specific events, each holder of the notes will have the right to require us to repurchase all or any part of such holder's notes at 101% of the principal amount thereof plus accrued and unpaid interest, if any, to but excluding the purchase date. We may not have sufficient funds available to make any required repurchases of the notes, and we may be unable to receive distributions or advances from our subsidiaries in the future sufficient to meet such repurchase obligation. In addition, restrictions under future debt instruments may not permit us to repurchase the notes. If we fail to repurchase notes in that circumstance, we will be in default under the indenture governing the notes. See Description of Notes Repurchase at the Option of Holders.

Table of Contents

We are exposed to counterparty risk through our hedging transactions and a counterparty default could adversely affect our financial condition. Our hedging positions are currently in a substantial liability position.

As a consequence of the global financial crisis, the credit worthiness of certain of our contracted counterparties (particularly financial institutions) has deteriorated and therefore we are exposed to an increased risk that one or more of the counterparties to our hedging transactions could default on their obligations to us, which could adversely affect our financial condition. For example, a subsidiary of Lehman Brothers that is the counterparty for two of our interest rate swaps filed for bankruptcy in October 2008. These two interest rate swaps had a combined notional value of \$475 million and represented a liability to us of approximately \$7.5 million as of October 31, 2008. Our arrangements with Lehman Brothers are subject to the resolution of Lehman's bankruptcy proceedings, and may result in an assignment of our arrangement by Lehman to a third party. While we have certain rights to object to an assignment, the outcome of such proceedings is uncertain. We also have interest rate swaps with other financial institutions, including Morgan Stanley. To the extent the financial crisis and interest rate movements cause our credit exposure to contracted counterparties to increase materially, such increased exposure could have a material adverse effect on our results of operations, cash flows and financial condition.

Our hedging transactions consist predominately of forward starting interest rate swaps. As of December 31, 2008, our outstanding forward starting interest rate swaps had a combined notional amount of \$5.3 billion and totaled \$598.1 million on a settlement basis. The obligations, on a settlement basis, are based upon observable interest rates and yield curves. Based on current interest rates and the yield curve in effect as of December 31, 2008, we would be required to pay to settle the forward starting interest rate swaps on the projected refinancing dates of the related hedged debt as follows: \$37.3 million in December 2009, \$228.5 million in June 2010, \$176.6 million in February 2011 and \$155.7 million in November 2011. In addition, we have two interest rate swaps, with a combined notional amount of \$625.0 million, that will be settled in 2009 and would currently result in total payments by us of \$18.1 million, based on interest rates and the yield curve in effect as of December 31, 2008.

Because the notes will be issued with original issue discount, holders will be required to pay tax on amounts included in gross income before cash payments on the notes are received.

The notes will be issued at a discount from their stated principal amount for U.S. federal income tax purposes. Consequently, original issue discount will be included in the gross income of a U.S. holder of the notes for U.S. federal income tax purposes in advance of the receipt of cash payments on such notes. For more information, see Material United States Federal Income Tax Considerations.

There is no public market for the notes, a market may not develop and you may have to hold your notes to maturity.

The notes are a new issue of securities and there is no existing trading market for the notes. We have been advised by the underwriters that the underwriters intend to make a secondary market for the notes. However, they are not obligated to do so and may discontinue making a secondary market for the notes at any time without notice. If a trading market for the notes develops, no assurance can be given as to how liquid that trading market will be. If any of the notes are traded after their initial issuance, they may trade at a discount from their initial offering price, depending upon prevailing interest rates, the market for similar securities and other factors, including general economic conditions and our financial condition, performance and prospects.

Under U.S. federal and state fraudulent transfer or conveyance statutes, a court could void our obligations or take other actions detrimental to the holders of the notes.

The issuance of the notes may be subject to review under U.S. bankruptcy law and comparable provisions of state fraudulent transfer or conveyance laws if a bankruptcy case or lawsuit is commenced by or against us or if a

Table of Contents

lawsuit is commenced against us by unpaid creditors. Under these laws, if a court were to find in such a bankruptcy or reorganization case or lawsuit that, at the time we issued the notes, we:

- (1) issued the notes with the intent to delay, hinder or defraud present or future creditors; or
- (2) (a) received less than reasonably equivalent value or fair consideration for issuing the notes; and
 - (b) at the time we issued the notes:
 - (i) were insolvent or rendered insolvent by reason of issuing the notes;
 - (ii) were engaged, or about to engage, in a business or transaction for which our remaining assets constituted unreasonably small capital to carry on our businesses; or
 - (iii) intended to incur, or believed or reasonably should have believed that we would incur, debts beyond our ability to pay such debts as they matured or became due;

then, in either case, a court of competent jurisdiction could (1) void, in whole or in part, the notes and direct the repayment of any amounts paid thereunder to our other creditors, (2) subordinate the notes to our other debt or (3) take other actions detrimental to the holders of the notes.

The measure of insolvency will vary depending upon the law applied in the case. Generally, however, a person would be considered insolvent if the sum of its debts, including contingent liabilities, was greater than all of its assets at fair valuation or if the present fair saleable value of its assets was less than the amount that would be required to pay the probable liability on its existing debts, including contingent liabilities, as they become absolute and matured. An entity may be presumed to be insolvent if it is not paying its debts as they became due.

We cannot predict:

what standard a court would apply in order to determine whether we were insolvent as of the date we issued the notes or whether, regardless of the method of valuation, a court would determine that we were insolvent on that date; or

whether a court would determine that the payments constituted fraudulent transfers or conveyances on other grounds.

In addition, under U.S. federal bankruptcy law, if a bankruptcy case were initiated by or against us within 90 days after a payment by us with respect to the notes, if we were insolvent at the time of such payment, and if certain other conditions were met, all or a portion of such payment could be avoided as a preferential transfer and the recipient of such payment could be required to return such payment to us for distribution to other creditors. Certain states have enacted similar insolvency statutes with varying periods and other provisions.

Table of Contents**USE OF PROCEEDS**

We expect to receive net proceeds of approximately \$794.6 million from the sale of the notes to the underwriters, after deducting the underwriters' discount, original issue discount and other offering expenses payable by us. We expect to use the net proceeds of this offering for general corporate purposes, including the repurchase or repayment of certain indebtedness of our subsidiaries. The interest rates and maturities of the indebtedness of our subsidiaries as of January 21, 2009 are as follows:

Indebtedness	Interest Rate	Maturity
Revolving Credit Facility	2.45%	January 2010
Term Loan Facility	5.38%	March 2014
2004 Mortgage Loan	4.91%	December 2009
2006 Mortgage Loan	5.69%	February 2011
2005 Tower Revenue Notes	4.89% ⁽¹⁾	June 2035
2006 Tower Revenue Notes	5.71% ⁽²⁾	November 2036

- (1) To the extent the 2005 tower revenue notes are not repaid in full on or prior to June 2010, the interest rate through maturity on such notes is currently expected to be 9.89%.
- (2) To the extent the 2006 tower revenue notes are not repaid in full on or prior to November 2011, the interest rate through maturity on such notes is currently expected to be 10.71%.

Table of Contents**CAPITALIZATION**

The following table sets forth as of September 30, 2008:

our actual capitalization; and

our as adjusted capitalization to reflect this offering.

The following table does not reflect any application of the proceeds of this offering. The financial data in the following table are derived from our unaudited consolidated balance sheet as of September 30, 2008. The following data are qualified in their entirety by our financial statements and other information incorporated by reference herein. You should read this table in conjunction with Use of Proceeds.

	As of September 30, 2008	
	Actual (unaudited)	As Adjusted (unaudited)
	(dollars in thousands)	
Cash and cash equivalents	\$ 73,104	\$ 867,748 ⁽¹⁾
Short-term debt and current maturities of long-term debt	\$ 166,500	\$ 166,500
Long-term debt (less current maturities):		
Revolving Credit Facility (maturing in January 2010)	\$ 160,000	\$ 160,000
Term Loan Facility (maturing in March 2014)	640,250	640,250
2004 Mortgage Loan due 2009	289,880	289,880
2006 Mortgage Loan due 2011	1,548,165	1,548,165
2005 Tower Revenue Notes due 2035 ⁽²⁾	1,900,000	1,900,000
2006 Tower Revenue Notes due 2036 ⁽²⁾	1,550,000	1,550,000
7.5% Senior Notes due 2013	51	51
Notes offered hereby		900,000
Total long-term debt	\$ 6,088,346	\$ 6,988,346
Redeemable Preferred Stock, \$0.10 par value; 20,000,000 shares authorized; 6,361,000 shares issued; stated net of unamortized issue costs; mandatory redemption and aggregate liquidation value of \$318,050	314,494	314,494
Stockholders' equity:		
Common stock, \$.01 par value; 600,000,000 shares authorized; 288,590,329 shares issued	2,886	2,886
Additional paid-in capital	5,606,632	5,606,632
Accumulated other comprehensive income (loss)	(30,593)	(30,593)
Accumulated deficit	(2,424,179)	(2,424,179)
Total stockholders' equity	3,154,746	3,154,746
Total capitalization	\$ 9,557,586	\$ 10,457,586

(1) Calculated using gross proceeds of this offering, net of underwriting discounts, original issue discount and other offering expenses payable by us. Amount does not reflect any application of the proceeds of this offering. The notes will be issued with original issue discount for U.S. federal income tax purposes.

(2)

Edgar Filing: CROWN CASTLE INTERNATIONAL CORP - Form 424B5

If the 2005 tower revenue notes and the 2006 tower revenue notes are not repaid in full on or prior to June 2010 and November 2011, respectively, then the interest rates on such notes will increase by the greater of (i) an additional 5% per annum over their current rates or (ii) the amount, if any, by which the sum of the following exceeds the rate for such class of tower revenue notes: the yield to maturity on the applicable anticipated repayment date of the United States treasury security having a term closest to 10 years, plus 5%, plus the post-anticipated repayment date spread for such class of tower revenue notes.

S-12

Table of Contents

DESCRIPTION OF NOTES

General

You can find the definitions of certain terms used in the following summary under the subheading Certain Definitions. In this summary, the word CCIC refers only to Crown Castle International Corp. and not to any of its Subsidiaries.

CCIC will issue the notes under an indenture and a supplemental indenture, or the indenture, between itself and The Bank of New York Mellon Trust Company, N.A., as trustee. The terms of the notes include those stated in the indenture and those made part of the indenture by reference to the Trust Indenture Act of 1939, as amended.

The following description is a summary of the material provisions of the indenture. It does not restate the indenture in its entirety. We urge you to read the indenture, because it, and not this description, defines your rights as Holders of the notes. You may request copies of the indenture at our address set forth under the heading Where You Can Find More Information in the accompanying prospectus.

Brief Description of the Notes

The notes:

are general obligations of CCIC;

rank equally with all existing and future senior debt of CCIC;

effectively rank junior to all liabilities (including trade payables) of each Subsidiary;

accrue interest from the date they are issued at a rate of 9.00% which is payable semiannually, commencing July 15, 2009; and

mature on January 15, 2015.

CCIC has covenanted that it will offer to repurchase notes under the circumstances described in the indenture upon:

a Change of Control of CCIC; or

an Asset Sale by CCIC or any of its Restricted Subsidiaries.

The indenture also contains covenants with respect to the following:

Restricted Payments;

incurrence of indebtedness and issuance of preferred stock;

Liens;

dividend and other payment restrictions affecting Subsidiaries;

merger, consolidation or sale of assets;

transactions with Affiliates;

sale and leaseback transactions;

S-13

Table of Contents

limitation on issuances of Guarantees of Indebtedness;

Business Activities; and

Reports.

In addition, certain covenants will be suspended during any period in which the notes have an investment grade rating from Moody's and Standard & Poor's.

The operations of CCIC are conducted through its Subsidiaries and, therefore, CCIC depends on the cash flow of its Subsidiaries to meet its obligations, including its obligations under the notes. CCIC's Subsidiaries will not be guarantors of the notes, and the notes will be effectively subordinated to all Indebtedness, including all borrowings under our Senior Credit Facility, our Securitization Facilities and other liabilities and commitments, including trade payables and lease obligations, of CCIC's Subsidiaries. Any right of CCIC to receive assets of any of its Subsidiaries upon the liquidation or reorganization of the Subsidiaries, and the consequent right of the Holders of the notes to participate in those assets, will be effectively subordinated to the claims of that Subsidiary's creditors, except to the extent that CCIC is itself recognized as a creditor of such Subsidiary. If CCIC is recognized as a creditor of such Subsidiary, the claims of CCIC would still be subordinate in right of payment to any security interest in the assets of that Subsidiary and any indebtedness of that Subsidiary senior to that held by CCIC. As of September 30, 2008, after giving pro forma effect to this offering and the extension of our revolving Credit Facility, CCIC's Subsidiaries would have had \$6.1 billion of indebtedness outstanding, and would have had \$30.0 million of unused borrowing availability under the Senior Credit Facility. The provisions of our Senior Credit Facility and our Securitization Facilities contain restrictions on the ability of those Subsidiaries to dividend or distribute cash flow or assets to CCIC. See Risk Factors Risks Related to the Notes and Our Debt Structure We are a holding company. Holders of the notes will be effectively subordinated to all our subsidiaries' indebtedness and obligations, and the notes will be unsecured obligations.

As of the date of the indenture, all of CCIC's Subsidiaries will be Restricted Subsidiaries other than Crown Castle Investment Corp. and its Subsidiaries. CCIC's Subsidiaries will not Guarantee the notes.

However, under certain circumstances, CCIC will be able to designate current or future Subsidiaries as Unrestricted Subsidiaries. Unrestricted Subsidiaries generally are not subject to the restrictive covenants set forth in the indenture.

Principal, Maturity and Interest

The notes initially will be limited in aggregate principal amount to \$900.0 million and will mature on January 15, 2015. The indenture governing the notes will allow CCIC to issue an unlimited principal amount of notes in addition to the notes being sold in the offering. The issuance of any of those additional notes will be subject to CCIC's ability to incur Indebtedness under the covenant Incurrence of Indebtedness and Issuance of Preferred Stock and similar restrictions in the instruments governing CCIC's other Indebtedness. Any such additional notes will be treated as part of the same class and series as the notes issued in this offering for purposes of voting under the indenture. CCIC will issue the notes in denominations of \$2,000 and integral multiples of \$1,000 thereafter.

Interest on the notes will accrue at the rate of 9.00% per annum and will be payable in U.S. Dollars semiannually in arrears on January 15 and July 15, commencing on July 15, 2009. CCIC will make each interest payment to Holders of record on the immediately preceding January 1 and July 1.

Interest on the notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of the indenture. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Table of Contents

Methods of Receiving Payments on the Notes

If a Holder has given wire transfer instructions to CCIC, CCIC will make all payments of principal, premium and interest, if any, on that Holder's notes in accordance with those instructions. All other payments on the notes will be made at the office or agency of the paying agent and registrar for the notes within the City and State of New York unless CCIC elects to make interest payments by check mailed to the Holders at their address set forth in the register of Holders.

Paying Agent and Registrar for the Notes

The trustee under the indenture will initially act as the paying agent and registrar for the notes. CCIC may change the paying agent or registrar under the indenture without prior notice to the Holders of the notes, and CCIC or any of its Subsidiaries may act as paying agent or registrar under the indenture.

Transfer and Exchange

A Holder may transfer or exchange notes in accordance with the indenture. The registrar and the trustee may require a Holder to furnish appropriate endorsements and transfer documents in connection with a transfer of notes. Holders will be required to pay all taxes due on transfer. CCIC is not required to transfer or exchange any notes selected for redemption. Also, CCIC is not required to transfer or exchange any notes for a period of 15 days before a selection of notes to be redeemed.

Optional Redemption

At any time prior to January 15, 2013, the notes may be redeemed, in whole or in part, at the option of CCIC, at a redemption price equal to 100% of the principal amount of the notes to be redeemed plus the Applicable Premium as of, and accrued and unpaid interest, if any, to, the redemption date.

Applicable Premium means, with respect to any note on any redemption date, the greater of (i) 1.0% of the principal amount of such note and (ii) the excess of (A) the present value at such redemption date of (1) the redemption price of such note at January 15, 2013 (such redemption price being set forth in the table below), plus (2) all required interest payments due on such note through January 15, 2013 (excluding accrued but unpaid interest, if any, to the redemption date), computed using a discount rate equal to the Treasury Rate on such redemption date plus 50 basis points over (B) the principal amount of such note.

Treasury Rate means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two business days prior to the redemption date (or, if such statistical release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to January 15, 2013; *provided, however*, that if the period from the redemption date to January 15, 2013 is not equal to the constant maturity of the United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the period from such date of redemption to January 15, 2013 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

Table of Contents

During the period after the date of original issuance of the notes until January 15, 2012, CCIC may on any one or more occasions redeem up to 35% of the aggregate principal amount of notes originally issued at a redemption price of 109.00% of the principal amount of the notes to be redeemed on the redemption date with the net cash proceeds of one or more Equity Offerings; *provided that*:

- (1) at least 65% of the aggregate principal amount of notes originally issued remains outstanding immediately after the occurrence of such redemption, excluding notes held by CCIC or any of its Subsidiaries; and
- (2) the redemption occurs within 90 days of the date of the closing of the Equity Offering.

Except pursuant to the preceding paragraphs under this caption, the notes will not be redeemable at CCIC's option prior to January 15, 2013. On or after January 15, 2013, CCIC may redeem all or a part of the notes upon not less than 30 nor more than 60 days' notice, at the redemption prices expressed as percentages of principal amount set forth below plus accrued and unpaid interest, if any, on the notes redeemed to the applicable redemption date, subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date, if redeemed during the twelve-month period beginning on January 15 of the years indicated below:

Year	Percentage
2013	105.625%
2014	100.000%

Selection and Notice

If less than all of the notes are to be redeemed at any time, the trustee under the indenture will select notes for redemption as follows:

- (1) if the notes are listed on any national securities exchange, in compliance with the requirements of the principal national securities exchange, if any, on which the notes are listed; or
- (2) if the notes are not listed on any national securities exchange, on a *pro rata* basis, by lot or by such method as the trustee shall deem fair and appropriate.

No notes of \$2,000 of principal amount at maturity or less will be redeemed in part. Notices of redemption will be mailed by first class mail at least 30 but not more than 60 days before the redemption date to each Holder of notes to be redeemed at its registered address. Notices of redemption may not be conditional.

If any note is to be redeemed in part only, the notice of redemption that relates to such note shall state the portion of the principal amount of that note to be redeemed. A new note in principal amount equal to the unredeemed portion of the original note presented for redemption will be issued in the name of the Holder thereof upon cancellation of the original note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, Interest ceases to accrue on notes or portions of them called for redemption.

Mandatory Redemption

On July 15, 2014, CCIC will be required to redeem for cash a portion of each note then outstanding equal to the Mandatory Principal Redemption Amount. The redemption price for the portion of each note so redeemed will be 100% of the principal amount of such portion plus accrued and unpaid interest, if any, to the redemption date. The Mandatory Principal Redemption Amount means the portion of a note required to be redeemed to prevent such note from being treated as an applicable high yield discount obligation within the meaning of Section 163(i)(1) of the Internal Revenue Code of 1986, as amended. No partial redemption or repurchase of the

Table of Contents

notes prior to July 15, 2014 pursuant to any other provision of the indenture will alter CCIC's obligation to make this redemption with respect to any notes that remain outstanding on July 15, 2014.

Repurchase at the Option of Holders

Change of Control

If a Change of Control occurs, each Holder of notes will have the right to require CCIC to repurchase all or any part, equal to \$2,000 or an integral multiple of \$1,000, of such Holder's notes pursuant to the offer described below (the "Change of Control Offer"). The offer price in any Change of Control Offer will be payable in cash and will be 101% of the aggregate principal amount of any notes repurchased plus accrued and unpaid interest on the notes, if any (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date), to the date of purchase (the "Change of Control Payment"). Within 30 days following any Change of Control, CCIC will mail a notice to each Holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase notes on the date specified in the notice (the "Change of Control Payment Date"). The Change of Control Payment Date will be no earlier than 30 days and no later than 60 days from the date the notice is mailed, pursuant to the procedures required by the indenture and described in such notice.

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

- (1) accept for payment all notes or portions of the notes properly tendered pursuant to the Change of Control Offer;
- (2) 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
- (3) deliver or cause to be delivered to the trustee the notes so accepted together with an officers' certificate stating the aggregate principal amount of notes or portions of the notes being purchased by CCIC.

The paying agent will promptly mail to each Holder of notes properly tendered the Change of Control Payment for such notes, and the trustee will promptly authenticate and mail, or cause to be transferred by book entry, to each Holder a new note equal in principal amount to any unpurchased portion of the notes surrendered, if any; *provided* that the new note will be in a principal amount of \$1,000 or an integral multiple of \$1,000.

The Change of Control provisions described above will be applicable whether or not any other provisions of the indenture are applicable. CCIC will comply with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations to the extent those laws and regulations are applicable to any Change of Control Offer. If the provisions of any of the applicable securities laws or securities regulations conflict with the provisions of the covenant described above, CCIC will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the covenant described above by virtue of the compliance.

The Change of Control purchase feature is a result of negotiations between CCIC and the underwriters. Management has no present intention to engage in a transaction involving a Change of Control, although it is possible that CCIC would decide to do so in the future. Subject to the limitations discussed below, CCIC could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control under the indenture, but that could increase the amount of Indebtedness outstanding at such time or otherwise affect CCIC's capital structure. Restrictions on the ability of CCIC to incur additional Indebtedness are contained in the covenants described under "Certain Covenants - Incurrence of Indebtedness and Issuance of Preferred Stock," "Certain Covenants - Liens" and "Certain Covenants - Sale and Leaseback Transactions." Such restrictions can only be waived with the consent of the Holders of a majority in principal amount of the notes then outstanding. Except for the limitations contained in the covenants, however, the indenture will not contain any covenants or provisions that may afford Holders of the notes protection in the event of certain highly leveraged transactions.

Table of Contents

The Indebtedness of CCIC's Subsidiaries limit CCIC's access to the cash flow of those Subsidiaries and will, therefore, restrict CCIC's ability to purchase any notes. The terms of such Indebtedness, with certain exceptions, provide that the occurrence of certain change of control events with respect to CCIC constitutes a default under such Indebtedness. In the event that a Change of Control occurs at a time when CCIC's Subsidiaries are prohibited from making distributions to CCIC to purchase notes, CCIC could cause its Subsidiaries to seek the consent of the holders of such Indebtedness to allow the distributions or could attempt to refinance the Indebtedness that contains the prohibition. If CCIC does not obtain a consent or repay such Indebtedness, CCIC will remain prohibited from purchasing notes. In this case, CCIC's failure to purchase tendered notes would constitute an Event of Default under the indenture which would, in turn, constitute a default under such Indebtedness. Future Indebtedness of CCIC and its Subsidiaries may contain prohibitions on the occurrence of certain events that would constitute a Change of Control or require the Indebtedness to be repurchased if a Change of Control occurs. Moreover, the exercise by the Holders of their right to require CCIC to repurchase the notes could cause a default under such Indebtedness, even if the Change of Control itself does not, due to the financial effect of such repurchase on CCIC. Finally, CCIC's ability to pay cash to the Holders of notes following the occurrence of a Change of Control may be limited by CCIC's then existing financial resources, including its ability to access the cash flow of its Subsidiaries. See Risk Factors Risks Related to the Notes and our Debt Structure We are a holding company. Holders of the notes will be effectively subordinated to all our subsidiaries' indebtedness and obligations, and the notes will be unsecured obligations. There can be no assurance that sufficient funds will be available when necessary to make any required repurchases.

CCIC will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the indenture applicable to a Change of Control Offer made by CCIC and purchases all notes properly tendered and not withdrawn under such Change of Control Offer. In addition, notwithstanding the occurrence of a Change of Control, CCIC will not be obligated to make a Change of Control Offer in the event it has exercised its rights to redeem all of the outstanding notes as provided under Optional Redemption. A Change of Control Offer may be made in advance of a Change of Control and conditioned upon such Change of Control if a definitive agreement is in place for the Change of Control at the time of making the Change of Control Offer. The provisions under the indenture relating to CCIC's obligation to make an offer to repurchase the notes as a result of a Change of Control may be waived or modified with the written consent of the Holders of a majority in principal amount of the notes then outstanding.

The definition of Change of Control includes a phrase relating to the sale, lease, transfer, conveyance or other disposition of all or substantially all of the assets of CCIC and its Restricted Subsidiaries taken as a whole. Although there is a developing body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a Holder of notes to require CCIC to repurchase the notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of CCIC and its Subsidiaries taken as a whole to another Person or group may be uncertain.

Asset Sales

CCIC will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

- (1) CCIC (or the Restricted Subsidiary, as the case may be) receives consideration at the time of the Asset Sale at least equal to the fair market value of the assets or Equity Interests issued or sold or otherwise disposed of;
- (2) fair market value is determined by CCIC's board of directors and evidenced by a resolution of its board of directors set forth in an officers' certificate delivered to the trustee under the indenture; and
- (3) except in the case of a Tower Asset Exchange, at least 75% of the consideration received in such Asset Sale by CCIC or such Restricted Subsidiary is in the form of cash or Cash Equivalents.

Table of Contents

For purposes of clause (3) above only, each of the following shall be deemed to be cash:

- (a) any liabilities, as shown on CCIC's or such Restricted Subsidiary's most recent balance sheet, of CCIC or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the notes or any Guarantee of the notes) that are assumed by the transferee of any assets pursuant to a customary novation agreement that releases CCIC or the Restricted Subsidiary from further liability;
- (b) any securities, notes or other obligations received by CCIC or any Restricted Subsidiary from the transferee that are converted by CCIC or the Restricted Subsidiary into cash within 90 days of the applicable Asset Sale, to the extent of the cash received in that conversion; and
- (c) any Designated Noncash Consideration received by CCIC or any of its Restricted Subsidiaries in an Asset Sale having an aggregate fair market value, taken together with all other Designated Noncash Consideration received pursuant to this clause, not to exceed \$150.0 million in the aggregate at any time outstanding (with the fair market value of each item of Designated Noncash Consideration being measured at the time received and without giving effect to subsequent changes in value).

Within 365 days after the receipt of any Net Proceeds from an Asset Sale, CCIC or the Restricted Subsidiary may apply those Net Proceeds to:

- (1) reduce non-subordinated Indebtedness of CCIC;
- (2) reduce Indebtedness or Excluded Capital Lease Obligations of any of CCIC's Restricted Subsidiaries (including by way of CCIC or a Restricted Subsidiary acquiring outstanding Indebtedness of any Restricted Subsidiary to be held by CCIC or a Restricted Subsidiary to redemption or maturity of such Indebtedness);
- (3) acquire all or substantially all the assets of a Permitted Business;
- (4) acquire Voting Stock of a Permitted Business from a Person that is not a Subsidiary of CCIC; *provided* that, after giving effect to the acquisition, CCIC or its Restricted Subsidiary owns a majority of the Voting Stock of that Permitted Business; or
- (5) make a capital expenditure or acquire other long-term assets (including long-term land use easements, ground leases and similar land rights) that are used or useful in a Permitted Business.

Pending the final application of any Net Proceeds, CCIC may temporarily reduce revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by the indenture.

Any Net Proceeds from Asset Sales that are not applied or invested as provided in the preceding paragraph (whether by election or the passage of time) will be deemed to constitute Excess Proceeds. When the aggregate amount of Excess Proceeds exceeds \$25.0 million, CCIC will be required to make an offer to all Holders of notes, and all holders of other senior Indebtedness of CCIC containing provisions similar to those set forth in the indenture relating to the notes with respect to offers to purchase or redeem with the proceeds of sales of assets, to purchase the maximum principal amount of notes and such other senior Indebtedness of CCIC that may be purchased out of the Excess Proceeds (an Asset Sale Offer). The offer price in any Asset Sale Offer will be payable in cash and will be 100% of the principal amount of any notes, plus accrued and unpaid interest, if any, to the date of purchase. In the case of any other senior Indebtedness, the offer price will be 100% of the principal amount (or accreted value, as applicable) of the Indebtedness plus accrued and unpaid interest thereon, if any, to the date of purchase. Each Asset Sale Offer will be made in accordance with the procedures set forth in the indenture and the other senior Indebtedness of CCIC. If any Excess Proceeds remain after consummation of an Asset Sale Offer, CCIC may use the remaining Excess Proceeds for any purpose not otherwise prohibited by the

Table of Contents

indenture. If the aggregate principal amount of notes and the other senior indebtedness of CCIC tendered into the Asset Sale Offer exceeds the amount of Excess Proceeds, the trustee will select the notes and such other senior Indebtedness to be purchased on a pro rata basis. Upon completion of the Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

CCIC will comply with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations to the extent those laws and regulations are applicable to any Asset Sale Offer. If the provisions of any of the applicable securities laws or securities regulations conflict with the provisions of the covenant described above, CCIC will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the covenant described above by virtue of the compliance.

Certain Covenants

Changes in Covenants When Notes Rated Investment Grade

If on any date following the date of the indenture:

- (1) the notes are rated Baa3 or better by Moody's and BBB- or better by Standard & Poor's (or, if either such entity ceases to rate the notes for reasons outside of the control of CCIC, the equivalent investment grade credit rating from any other nationally recognized statistical rating organization within the meaning of Section 3(a)(62) under the Exchange Act, selected by CCIC as a replacement agency); and

- (2) no Default or Event of Default shall have occurred and be continuing, then, beginning on that day and subject to the provisions of the following paragraph, the covenants specifically listed under the following captions in this prospectus supplement will be suspended:
 - (1) Repurchase at the Option of Holders Asset Sales;

 - (2) Restricted Payments;

 - (3) Incurrence of Indebtedness and Issuance of Preferred Stock;

 - (4) Dividend and Other Payment Restrictions Affecting Subsidiaries;

 - (5) Transactions with Affiliates;

 - (6) clause (2)(d) of the covenant described below under the caption Merger, Consolidation or Sale of Assets; and

 - (7) Business Activities.

During any period that the foregoing covenants have been suspended, CCIC's board of directors may not designate any of its Subsidiaries as Unrestricted Subsidiaries pursuant to the second paragraph of the definition of Unrestricted Subsidiary.

Notwithstanding the foregoing, if the rating assigned by either such rating agency should subsequently decline to below Baa3 or BBB-, respectively (or if either such agency ceases to rate the notes, the equivalent investment grade credit rating from another nationally recognized

Edgar Filing: CROWN CASTLE INTERNATIONAL CORP - Form 424B5

statistical rating organization), the foregoing covenants will be reinstated as of and from the date of such rating decline. Calculations under the reinstated Restricted Payments covenant will be made as if the Restricted Payments covenant had been in effect since the date of the indenture except that no default will be deemed to have occurred solely by reason of a Restricted Payment made while that covenant was suspended. Notwithstanding that the suspended covenants may be reinstated, no default will be deemed to have occurred as a result of a failure to comply with such suspended covenants during any period such covenants have been suspended. There can be no assurance that the notes will ever achieve an investment grade rating or that any such rating will be maintained.

S-20

Table of Contents

Restricted Payments

CCIC will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

- (1) declare or pay any dividend or make any other payment or distribution on account of CCIC's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving CCIC or any of its Restricted Subsidiaries) or to the direct or indirect holders of CCIC's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of CCIC or to CCIC or a Restricted Subsidiary of CCIC);
 - (2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving CCIC) any Equity Interests of CCIC or any direct or indirect parent of CCIC (other than (i) any such Equity Interests owned by CCIC or any of its Restricted Subsidiaries or (ii) any acquisition of Equity Interests deemed to occur upon the exercise of options or restricted stock rights if such Equity Interests represent a portion of the exercise price thereof or taxes due in connection therewith);
 - (3) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness that is subordinated to the notes (other than intercompany Indebtedness), except a payment of interest or a payment of principal at Stated Maturity (or within one year of final maturity); or
 - (4) make any Restricted Investment (all such payments and other actions set forth in these clauses (1) through (4) occurring since the date of the indenture, being collectively referred to as Restricted Payments),
- unless, at the time of and after giving effect to such Restricted Payment:

- (1) no Default has occurred and is continuing or would occur as a consequence of the Restricted Payment; and
- (2) CCIC's Debt to Adjusted Consolidated Cash Flow Ratio would have been no greater than 7.0 to 1 after giving effect to the incurrence of any Indebtedness the net proceeds of which are used to finance such Restricted Payment as if the same had occurred at the beginning of the most recently ended four full fiscal quarter period of CCIC for which internal financial statements are available.

The preceding provisions will not prohibit:

- (1) the payment of any dividend within 60 days after the date of declaration of that dividend if at said date of declaration such payment would have complied with the provisions of the indenture;
- (2) the making of any Restricted Payment in exchange for, or out of the net cash proceeds from the sale (other than to a Subsidiary of CCIC) of, Equity Interests of CCIC (other than any Disqualified Stock);
- (3) the defeasance, redemption, repurchase, or other acquisition of subordinated Indebtedness with the net cash proceeds from an incurrence of Permitted Refinancing Indebtedness;

Edgar Filing: CROWN CASTLE INTERNATIONAL CORP - Form 424B5

- (4) the payment of any dividend by a Restricted Subsidiary of CCIC to the Holders of such Restricted Subsidiary's Equity Interests on a pro rata basis;

- (5) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of CCIC or any Restricted Subsidiary of CCIC held by any member of CCIC's (or any of its Restricted Subsidiaries') management pursuant to any management equity subscription agreement, restricted stock arrangement, or stock option or similar agreement in effect as of the date of the indenture; *provided* that the aggregate price paid for all of the repurchased, redeemed, acquired or retired Equity Interests pursuant to this clause (5) may not exceed \$15.0 million in any fiscal year;

S-21

Table of Contents

- (6) the payment of scheduled dividends on CCIC's 6.25% Convertible Preferred Stock, whether paid in cash or in kind through the issuance of additional shares of such preferred stock, all in accordance with the certificate of designations governing such preferred stock as in effect on the date of the indenture; or

- (7) other Restricted Payments in an aggregate amount not to exceed \$50.0 million at any time outstanding.

The board of directors of CCIC may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if such designation would not cause a Default. For purposes of making such determination, all outstanding Investments by CCIC and its Restricted Subsidiaries (except to the extent repaid in cash) in the Subsidiary so designated will be deemed to be Restricted Payments at the time of the designation and will reduce the amount available for Restricted Payments under the first paragraph of this covenant. All of those outstanding Investments will be deemed to constitute Investments in an amount equal to the fair market value of the Investments at the time of such designation. Such designation will only be permitted if the Restricted Payment would be permitted at the time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The board of directors of CCIC may designate any Unrestricted Subsidiary to be a Restricted Subsidiary if the designation would not cause a Default.

The amount of all Restricted Payments (other than cash) will be the fair market value on the date of the Restricted Payment of the assets or securities proposed to be transferred or issued by CCIC or the applicable Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The fair market value of any property, assets or Investments required by this covenant to be valued will be valued by the board of directors of CCIC whose resolution with respect to the determination will be delivered to the trustee.

Incurrence of Indebtedness and Issuance of Preferred Stock

CCIC will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "incur") any Indebtedness (including Acquired Debt) and CCIC will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; *provided* that CCIC may incur Indebtedness (including Acquired Debt) or issue shares of Disqualified Stock and CCIC's Restricted Subsidiaries may incur Indebtedness (including Acquired Debt) or issue preferred stock if, in each case, CCIC's Debt to Adjusted Consolidated Cash Flow Ratio at the time of incurrence of the Indebtedness or the issuance of the Disqualified Stock or preferred stock, after giving pro forma effect to such incurrence or issuance as of such date and to the use of proceeds from such incurrence or issuance as if the same had occurred at the beginning of the most recently ended four full fiscal quarter period of CCIC for which internal financial statements are available, would have been no greater than 7.0 to 1.

The first paragraph of this covenant will not prohibit the incurrence of any of the following items of Indebtedness or the issuance of any of the following items of Disqualified Stock or preferred stock (collectively, "Permitted Debt"):

- (1) the incurrence by CCIC or any of its Restricted Subsidiaries of Indebtedness under the Senior Credit Facility in an aggregate principal amount (with letters of credit being deemed to have a principal amount equal to the maximum potential liability of CCIC and its Restricted Subsidiaries thereunder) at any one time outstanding not to exceed \$250.0 million;
- (2) the incurrence by CCIC or its Restricted Subsidiaries of the Existing Indebtedness;
- (3) the incurrence by CCIC of the Indebtedness represented by the notes to be issued on the date of the indenture;

Table of Contents

- (4) the incurrence by CCIC or any of its Restricted Subsidiaries of Indebtedness since the date of the indenture represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment used in the business of CCIC or such Restricted Subsidiary, in an aggregate principal amount, including all Permitted Refinancing Indebtedness incurred to refund, refinance or replace any other Indebtedness incurred pursuant to this clause (4), not to exceed \$50.0 million at any one time outstanding;
- (5) the incurrence by CCIC or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund Indebtedness of CCIC or any of its Restricted Subsidiaries or Disqualified Stock of CCIC (other than intercompany Indebtedness) that was permitted by the indenture to be incurred under the first paragraph of this covenant or clauses (2), (3), this clause (5) or clause (9) of this paragraph;
- (6) the incurrence by CCIC or any of its Restricted Subsidiaries of intercompany Indebtedness between or among CCIC and any of its Restricted Subsidiaries; *provided, however*, that if CCIC is the obligor on such Indebtedness, such Indebtedness is expressly subordinated to the prior payment in full in cash of all obligations with respect to the notes and that:
 - (A) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than CCIC or a Restricted Subsidiary; and
 - (B) any sale or other transfer of any such Indebtedness to a Person that is not either CCIC or a Restricted Subsidiary; shall be deemed, in each case, to constitute an incurrence of the Indebtedness by CCIC or the Restricted Subsidiary, as the case may be;
- (7) the incurrence by CCIC or any of its Restricted Subsidiaries of Hedging Obligations that are incurred for the purpose of fixing or hedging (i) interest rate risk or (ii) currency exchange risk, and, in either case, not for speculative purposes;
- (8) the guarantee by CCIC or any of its Restricted Subsidiaries of Indebtedness of CCIC or a Restricted Subsidiary of CCIC that was permitted to be incurred by another provision of the indenture;
- (9) the incurrence by CCIC or any of its Restricted Subsidiaries of Acquired Debt in connection with the acquisition of assets or a new Subsidiary and the incurrence by CCIC's Restricted Subsidiaries of Indebtedness as a result of the designation of an Unrestricted Subsidiary as a Restricted Subsidiary; *provided* that, in the case of any such incurrence of Acquired Debt, such Acquired Debt was incurred by the prior owner of such assets or such Restricted Subsidiary prior to such acquisition by CCIC or one of its Restricted Subsidiaries and was not incurred in connection with, or in contemplation of, the acquisition by CCIC or one of its Restricted Subsidiaries; and *provided further* that, in the case of any incurrence pursuant to this clause (9), as a result of such acquisition by CCIC or one of its Restricted Subsidiaries, CCIC's Debt to Adjusted Consolidated Cash Flow Ratio at the time of incurrence of such Acquired Debt, after giving pro forma effect to such incurrence as if the same had occurred at the beginning of the most recently ended four full fiscal quarter period of CCIC for which internal financial statements are available, would have been either (i) no greater than 7.0 to 1 or (ii) less than CCIC's Debt to Adjusted Consolidated Cash Flow Ratio for the same period without giving pro forma effect to such incurrence;
- (10) the incurrence by CCIC or any of its Restricted Subsidiaries of any Indebtedness in respect of (A) performance bonds, bankers acceptances, letters of credit, surety or appeal bonds or similar instruments provided by CCIC or any Restricted Subsidiary in the ordinary course of business, (B) the

Table of Contents

financing of insurance premiums in the ordinary course of business or (C) netting, overdraft protection and other arrangements arising under standard business terms of any bank at which CCIC or any Restricted Subsidiary maintains an overdraft, cash pooling or other similar facility or arrangement;

- (11) the incurrence by CCIC or any of its Restricted Subsidiaries of any Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business, provided that such Indebtedness is extinguished within five business days of its incurrence;
- (12) the incurrence by CCIC or any of its Restricted Subsidiaries of any Indebtedness consisting of indemnification, adjustment of purchase price, earn-out or similar obligations of CCIC or any Restricted Subsidiary, in each case incurred in connection with the acquisition or disposition of any assets, business or Person by CCIC or any Restricted Subsidiary;
- (13) the incurrence by CCIC or any of its Restricted Subsidiaries of any Guarantees in the ordinary course of business of the obligations of suppliers, customers, franchisers and licensees;
- (14) the incurrence by Foreign Subsidiaries of additional Indebtedness, the proceeds of which are used for ordinary course business purposes, in an aggregate principal amount, at any time outstanding, not to exceed \$25.0 million; and
- (15) the incurrence by CCIC or any of its Restricted Subsidiaries since the date of the indenture of additional Indebtedness and/or the issuance by CCIC of Disqualified Stock in an aggregate principal amount, accreted value or liquidation preference, as applicable, at any time outstanding, not to exceed \$100.0 million.

The indenture will also provide that CCIC will not incur any Indebtedness that is contractually subordinated in right of payment to any other Indebtedness of CCIC unless such Indebtedness is also contractually subordinated in right of payment to the notes on substantially identical terms; *provided, however*, that no Indebtedness of CCIC will be deemed to be contractually subordinated in right of payment to any other indebtedness of CCIC solely by virtue of being unsecured.

For purposes of determining compliance with this covenant, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (15) above or is entitled to be incurred pursuant to the first paragraph of this covenant, CCIC will, in its sole discretion, classify (or later reclassify in whole or in part) such item of Indebtedness in any manner that complies with this covenant. Accrual of interest accretion or amortization of original issue discount and the payment of interest in the form of additional Indebtedness will not be deemed to be an incurrence of Indebtedness for purposes of this covenant. Indebtedness under the revolving portion of our Senior Credit Facility outstanding on the date of the indenture shall be deemed to have been incurred on such date in reliance on the exception provided by clause (1) of the definition of Permitted Debt, and all other Indebtedness under our Senior Credit Facility or our Securitization Facilities outstanding on the date of the indenture shall be deemed to have been incurred on such date in reliance on the exception provided by clause (2) of the definition of Permitted Debt.

Liens

CCIC will not, directly or indirectly, create, incur, assume or suffer to exist any Lien securing Indebtedness or trade payables on any asset directly held by CCIC now owned or hereafter acquired, or any income or profits therefrom or assign or convey any right to receive income therefrom, except Permitted Liens, without providing that the notes shall be secured equally and ratably with (or prior to) the obligations so secured for so long as such obligations are so secured.

Table of Contents

Dividend and Other Payment Restrictions Affecting Subsidiaries

CCIC will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

- (1) pay dividends or make any other distributions to CCIC on its Capital Stock or with respect to any other interest or participation in, or measured by, its profits;
- (2) pay any indebtedness owed to CCIC;
- (3) make loans or advances to CCIC; or
- (4) transfer any of its properties or assets to CCIC.

However, the preceding restrictions will not apply to encumbrances or restrictions existing under or by reason of:

- (1) Existing Indebtedness as in effect on the date of the indenture, and any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings thereof; *provided* that either (i) such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in the applicable series of Existing Indebtedness as in effect on the date of the indenture or (ii) CCIC determines that any such encumbrance or restriction will not materially affect CCIC's ability to pay interest or principal, when due, on the notes (which determination shall be made in the good faith judgment of CCIC's board of directors (and evidenced by a board resolution), which determination shall be conclusively binding);
- (2) Indebtedness of any Restricted Subsidiary under any Credit Facility that is permitted to be incurred or outstanding pursuant to the covenant under the caption Incurrence of Indebtedness and Issuance of Preferred Stock; *provided* that such Credit Facility and Indebtedness contain only such encumbrances and restrictions on such Restricted Subsidiary's ability to engage in the activities set forth in clauses (1) through (4) of the preceding paragraph as are, at the time such Credit Facility is entered into or amended, modified, restated, renewed, increased, supplemented, refunded, replaced or refinanced, ordinary and customary for a Credit Facility of that type as determined in the good faith judgment of CCIC's board of directors (and evidenced in a board resolution), which determination shall be conclusively binding;
- (3) encumbrances and restrictions applicable to any Unrestricted Subsidiary, as the same are in effect as of the date on which the Subsidiary becomes a Restricted Subsidiary, and as the same may be amended, modified, restated, renewed, increased, supplemented, refunded, replaced or refinanced; *provided* that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacement or refinancings are no more restrictive, taken as a whole, with respect to the dividend and other payment restrictions than those contained in the applicable series of Indebtedness of such Subsidiary as in effect on the date on which such Subsidiary becomes a Restricted Subsidiary;
- (4) any Indebtedness incurred in compliance with the covenant under the heading Incurrence of Indebtedness and Issuance of Preferred Stock or any agreement pursuant to which such Indebtedness is issued if the encumbrance or restriction applies only in the event of a payment default or default with respect to a financial covenant contained in the Indebtedness or agreement and the encumbrance or restriction is not materially more disadvantageous to the Holders of the notes than is customary in comparable financings (as determined by CCIC) and CCIC determines that any such encumbrance or restriction will not materially affect CCIC's ability to pay

interest or principal on the notes;

S-25

Table of Contents

- (5) the indenture governing the notes;
- (6) applicable law;
- (7) any instrument governing Indebtedness or Capital Stock of a Person acquired by CCIC or any of its Restricted Subsidiaries as in effect at the time that Person is acquired by CCIC (except to the extent the Indebtedness was incurred in connection with or in contemplation of the acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired, *provided* that, in the case of Indebtedness, the Indebtedness was permitted by the terms of the indenture to be incurred;
- (8) customary non-assignment provisions in leases, licenses, easements or similar arrangements entered into in the ordinary course of business;
- (9) purchase money obligations for property acquired in the ordinary course of business of the nature described in clause (4) in the second paragraph of the covenant described above under the caption *Incurrence of Indebtedness and Issuance of Preferred Stock* on the property so acquired or under Excluded Capital Lease Obligations with respect to the property subject thereto;
- (10) any agreement for the sale of a Restricted Subsidiary that restricts that Restricted Subsidiary pending its sale;
- (11) Permitted Refinancing Indebtedness, *provided* that either (i) the restrictions contained in the agreements governing the Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced or (ii) CCIC determines that any such encumbrance or restriction will not materially affect CCIC's ability to pay interest or principal, when due, on the notes (which determination shall be made in the good faith judgment of CCIC's board of directors (and evidenced by a board resolution), which determination shall be conclusively binding);
- (12) Liens permitted to be incurred pursuant to the provisions of the covenant described under the caption *Liens* that limit the right of the debtor to transfer the assets subject to such Liens;
- (13) provisions with respect to the disposition or distribution of assets or property in joint venture agreements and other similar agreements or arrangements;
- (14) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business; and
- (15) Indebtedness permitted to be incurred pursuant to clause (14) of the covenant described above under the caption *Incurrence of Indebtedness and Issuance of Preferred Stock*; *provided*, that CCIC determines that any such encumbrance or restriction will not materially affect CCIC's ability to pay interest or principal, when due, on the notes (which determination shall be made in the good faith judgment of CCIC's board of directors (and evidenced by a board resolution), which determination shall be conclusively binding.

Merger, Consolidation or Sale of Assets

CCIC may not:

- (1) consolidate or merge with or into (whether or not CCIC is the surviving corporation); or

S-26

Table of Contents

- (2) sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions, to another corporation, Person or entity, unless
 - (a) either:
 - (A) CCIC is the surviving corporation; or
 - (B) the entity or the Person formed by or surviving any such consolidation or merger (if other than CCIC) or to which the sale, assignment, transfer, lease, conveyance or other disposition shall have been, made is a Person (which, if not a corporation, includes a corporate co-issuer) organized or existing under the laws of the United States, any state thereof or the District of Columbia;
 - (b) the entity or Person formed by or surviving any such consolidation or merger (if other than CCIC) or the entity or Person to which the sale, assignment, transfer, lease, conveyance or other disposition shall have been made assumes all the obligations of CCIC under the notes and the indenture pursuant to a supplemental indenture in a form reasonably satisfactory to the trustee;
 - (c) immediately after such transaction no Default exists; and
 - (d) except in the case of:
 - (A) a merger of CCIC with or into a Wholly Owned Restricted Subsidiary of CCIC; and
 - (B) a merger entered into solely for the purpose of reincorporating CCIC in another jurisdiction:
 - (x) in the case of a merger or consolidation in which CCIC is the surviving corporation, CCIC's Debt to Adjusted Consolidated Cash Flow Ratio at the time of the transaction, after giving pro forma effect to the transaction as of such date for balance sheet purposes and as if the transaction had occurred at the beginning of the most recently ended four full fiscal quarter period of CCIC for which internal financial statements are available for income statement purposes, would have been (i) no greater than 7.0 to 1 or (ii) less than CCIC's Debt to Adjusted Consolidated Cash Flow Ratio for the same period without giving pro forma effect to such transaction; or
 - (y) in the case of any other such transaction, the Debt to Adjusted Consolidated Cash Flow of the entity or Person formed by or surviving any such consolidation or merger (if other than CCIC), or to which the sale, assignment, transfer, lease, conveyance or other disposition shall have been made, at the time of the transaction, after giving pro forma effect to the transaction as of such date for balance sheet purposes and as if such transaction had occurred at the beginning of the most recently ended four full fiscal quarter period of such entity or Person for which internal financial statements are available for income statement purposes, would have been (i) no greater than 7.0 to 1 or (ii) less than CCIC's Debt to Adjusted Consolidated Cash Flow Ratio for the same period without giving pro forma effect to such transaction; *provided* that for purposes of determining the Debt to Adjusted Consolidated Cash Flow Ratio of any entity or Person for purposes of this clause (y) the entity or Person will be substituted for CCIC in the definition of Debt to Adjusted Consolidated Cash Flow Ratio and the defined terms included therein under the caption Certain Definitions.

