

TRUSTMARK CORP
Form S-3/A
April 30, 2003

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As filed with the Securities and Exchange Commission on April 30, 2003

Registration Nos. 333-104566
333-104566-01
333-104566-02
333-104566-03
333-104566-04

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NO. 1

TO
FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

TRUSTMARK CORPORATION

(Exact name of registrant as specified in its charter)

Mississippi

(State or Other Jurisdiction of Incorporation or Organization)

64-0471500

(IRS Employer Identification No.)

248 East Capitol Street
Jackson, Mississippi 39201
(601) 208-5111

*(Address, including zip code, and telephone number,
including area code of Registrant's principal executive offices)*

TRUSTMARK CAPITAL TRUST I
TRUSTMARK CAPITAL TRUST II
TRUSTMARK CAPITAL TRUST III
TRUSTMARK CAPITAL TRUST IV

(Exact name of registrants as specified in their charters)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

To come

(IRS Employer Identification No.)

248 East Capitol Street
Jackson, Mississippi 39201
(601) 208-5111

*(Address, including zip code, and telephone number,
including area code of Registrant's principal executive offices)*

With copies to:

Zach L. Wasson
Treasurer
248 East Capitol Street
Jackson, Mississippi 39201
(601) 208-5111

*(Name, address, including zip code, and telephone number,
including area code, of agent for service)*

Bruce C. Bennett
Covington & Burling
1330 Avenue of the Americas
New York, New York 10019
(212) 841-1000

Approximate date of commencement of proposed sale to the public:

From time to time after the effective date of this Registration Statement.

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If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act of 1933, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.

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

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED APRIL 30, 2003

PROSPECTUS

Trustmark Corporation

Common Stock

Preferred Stock

Depository Shares

Debt Securities

Junior Subordinated Debt Securities

TRUSTMARK CAPITAL TRUST I

TRUSTMARK CAPITAL TRUST II

TRUSTMARK CAPITAL TRUST III

TRUSTMARK CAPITAL TRUST IV

Trust Preferred Securities

(irrevocably and unconditionally guaranteed on a subordinated basis, as described herein, by Trustmark Corporation)

Trustmark Corporation, Trustmark Capital Trust I, Trustmark Capital Trust II, Trustmark Capital Trust III and Trustmark Capital Trust IV (the TRMK Trusts) may offer and sell any combination of the securities described in this prospectus in different series from time to time in amounts, at prices and on terms to be determined at or prior to the time of the offering. We will describe in a prospectus supplement the securities we are offering and selling, as well as the specific terms of the securities. The aggregate initial offering price of the securities that we may issue under this prospectus will not exceed \$200,000,000.

Each of the TRMK Trusts is a Delaware statutory trust that may sell trust preferred securities in one or more offerings to the public and common securities in one or more offerings to Trustmark Corporation. In the event of such sales, the TRMK Trusts will use the proceeds to buy an equal principal amount of junior subordinated debt securities of Trustmark Corporation.

You should read this prospectus and any prospectus supplements carefully before you invest. This prospectus may not be used to offer or sell any securities unless accompanied by a prospectus supplement. We may sell the securities or we may distribute them through underwriters or dealers. In addition, the underwriters may overallocate a portion of the securities.

The common stock of Trustmark Corporation is listed on the Nasdaq National Market under the symbol TRMK. On April 28, 2003, the last reported sale price for the common stock of Trustmark Corporation on the Nasdaq National Market during regular trading hours was \$24.48 per share. Unless we state otherwise in this prospectus or any prospectus supplement, we will not list any other of these securities on any securities exchange or on the Nasdaq Stock Market.

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

These securities are not deposits or savings accounts. These securities are not insured by the Federal Deposit Insurance Corporation or any other governmental agency or instrumentality.

Prospectus dated 2003

This prospectus may not be used to consummate sales of securities unless accompanied by a prospectus supplement.

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This prospectus is part of a registration statement we filed with the Securities and Exchange Commission. You should rely only on the information we have provided or incorporated by reference in this prospectus or any prospectus supplement. We have not authorized anyone to provide you with additional or different information. We are not making an offer of these securities in any jurisdiction where the offer is not permitted. You should assume that the information in this prospectus or any prospectus supplement is accurate only as of the date on the front of the document and that any information we have incorporated by reference is accurate only as of the date of the document incorporated by reference.

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ABOUT THIS PROSPECTUS

This prospectus is part of a Registration Statement on Form S-3 that we filed with the Securities and Exchange Commission (the SEC) utilizing a shelf registration process. Under this shelf process, we may offer from time to time any combination of securities described in this prospectus in one or more offerings up to a total amount of \$200,000,000. This prospectus provides you with a general description of the securities we may offer. Each time we use this prospectus to offer securities, we will provide a prospectus supplement that will contain specific information about the terms of that offering.

Pursuant to Rule 3-10 of Regulation S-X promulgated by the SEC, we are not required to include in this prospectus separate financial statements of Trustmark Capital Trust I, which we refer to as TRMK Trust I, Trustmark Capital Trust II, which we refer to as TRMK Trust II, Trustmark Capital Trust III, which we refer to as TRMK Trust III, or Trustmark Capital Trust IV, which we refer to as TRMK Trust IV, because:

the sum of all of each of their respective equity interests are owned by Trustmark, either directly or through wholly-owned subsidiaries of Trustmark, other than (i) securities that are guaranteed by Trustmark and, if applicable, other 100%-owned subsidiaries of Trustmark and (ii) securities that guarantee securities issued by Trustmark and, if applicable, other 100% owned subsidiaries of Trustmark;

Trustmark files periodic and other reports with the SEC pursuant to the Securities Exchange Act of 1934 (the Securities Exchange Act);

none of TRMK Trust I, TRMK Trust II, TRMK Trust III or TRMK Trust IV has operations other than the issuance of the trust preferred securities and trust common securities and investment of funds in Trustmark or its subsidiaries; and

Trustmark will, to the extent funds are available, irrevocably guarantee the obligations of TRMK Trust I, TRMK Trust II, TRMK Trust III and TRMK Trust IV, and the rights of holders of their securities, and no subsidiary of Trustmark will guarantee those obligations.

Because TRMK Trust I, TRMK Trust II, TRMK Trust III and TRMK Trust IV (which we refer to collectively as the TRMK Trusts or the trusts) are permitted to omit financial statements, pursuant to Rule 12h-5 under the Securities Exchange Act, they are not subject to the information reporting requirements of that act.

This prospectus provides you with a general description of the securities we may offer. Each time we sell such securities, we will provide a prospectus supplement containing specific information about the terms of the securities being offered, and if we sell securities through agents, underwriters or dealers, the names of such agents, underwriters or dealers and any fees, discounts and commissions to be paid to them. The prospectus supplement may include a discussion of any risk factors or other special considerations applicable to those securities. The prospectus supplement may also add, update or change information in this prospectus. If there is any inconsistency between the information in this prospectus and any prospectus supplement, you should rely on the information in the prospectus supplement. You should read both this prospectus and any prospectus supplement together with the additional information described under the heading Where You Can Find More Information; Documents Incorporated By Reference.

The registration statement containing this prospectus, including the exhibits to the registration statement, provides additional information about us and the securities offered under this prospectus. The registration statement, including the exhibits, can be read at the SEC website or at the SEC offices mentioned under the heading Where You Can Find More Information; Documents Incorporated By Reference. Additional documents that contain the specific terms of certain securities we may offer may subsequently be filed as exhibits to this registration statement or incorporated into the prospectus or prospectus supplement by reference to documents we file with the SEC.

The prospectus also incorporates business and financial information about us that is not included or delivered with this document. **You may request and obtain this information free of charge by writing to**

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us at Trustmark Corporation, 248 East Capitol Street, Jackson, Mississippi, 39201, attention: Zach L. Wasson, Treasurer, or by telephoning us at (601) 208-5111.

You should rely only on the information provided or incorporated by reference in this prospectus and the accompanying prospectus supplement. We have not authorized anyone to provide you with different information. We are not making an offer or soliciting a purchase of these securities in any jurisdiction in which the offer or solicitation is not authorized or in which the person making the offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make the offer or solicitation. You should assume that the information in this prospectus or the accompanying prospectus supplement is accurate only as of the date on the front of the document and that any information incorporated by reference is accurate only as of the date of the document incorporated by reference.

Unless we have indicated otherwise, in this prospectus references to Trustmark are to Trustmark Corporation, and references to we, us and our or similar terms are, collectively, to Trustmark Corporation and its consolidated subsidiaries. Unless otherwise indicated, references in this prospectus to \$ or dollar are to the lawful currency of the United States.

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ABOUT TRUSTMARK CORPORATION

Trustmark is a multi-bank holding company headquartered in Jackson, Mississippi, incorporated under the Mississippi Business Corporation Act on August 5, 1968, and commenced doing business in November 1968. Trustmark operates as a financial services organization providing banking and financial solutions to corporate, institutional and individual customers predominantly within the states of Mississippi and Tennessee. Our principal executive offices are located at 248 East Capitol Street, Jackson, Mississippi, 39201, and our telephone number is (601) 208-5111.

THE TRMK TRUSTS

Each TRMK Trust is a statutory trust created under the Delaware Statutory Trust Act. Each TRMK Trust will be governed by a declaration of trust (as it may be amended and restated from time to time) among the trustees of each trust and Trustmark and a certificate of trust, in effect at or prior to the date hereof, filed with the Secretary of State of the State of Delaware. Each declaration will be qualified under the Trust Indenture Act of 1939.

For the reasons set forth under the caption About This Prospectus, we are not required to include separate financial statements of the TRMK Trusts in this prospectus and none of the trusts are subject to the information reporting requirements of the Securities Exchange Act.

Each of the trusts will exist primarily for the purposes of (i) issuing its trust preferred and trust common securities; (ii) investing the proceeds from the sale of its securities in Trustmark's debt securities; and (iii) engaging in only such other activities as are necessary or incidental to issuing its securities and purchasing and holding Trustmark's debt securities.

When a trust issues its trust preferred securities, you and the other holders of the trust preferred securities will own all of the issued and outstanding trust preferred securities of the trust. Trustmark will acquire all of the issued and outstanding trust common securities of each trust, representing an undivided beneficial interest in the assets of each trust of at least 3%. Wilmington Trust Company, acting in its capacity as guarantee trustee, will hold for your benefit a trust preferred securities guarantee issued by Trustmark, which will be separately qualified under the Trust Indenture Act of 1939.

Each of the trusts will initially have five trustees. Three of the trustees will be individuals each of whom is an officer or employee of Trustmark. The fourth trustee will be Wilmington Trust Company, which will serve as the property trustee under the declaration of trust for purposes of the Trust Indenture Act of 1939. The fifth trustee will be Wilmington Trust Company, which will serve as Delaware trustee and has its principal place of business in the State of Delaware.

Unless otherwise provided in the applicable prospectus supplement, because Trustmark will own all of the trust common securities of each trust, Trustmark will have the exclusive right to appoint, remove or replace trustees and to increase or decrease the number of trustees. The term of a trust will be described in the applicable prospectus supplement, but may dissolve earlier as provided in the applicable declaration of trust.

The rights of the holders of the trust preferred securities of a trust, including economic rights, rights to information and voting rights, and the duties and obligations of the trustees of a trust, will be contained in and governed by the declaration of trust of that trust (as it may be amended and restated from time to time), the Delaware Business Trust Act and the Trust Indenture Act of 1939.

The address of each trust is 248 East Capitol Street, Jackson, Mississippi, 39201, and the telephone number of each trust at that address is (601) 208-5111.

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WHERE YOU CAN FIND MORE INFORMATION;

DOCUMENTS INCORPORATED BY REFERENCE

Trustmark files annual, quarterly and special reports, proxy statements and other information with the SEC. You may obtain any document we file with the SEC at the SEC's public reference room in Washington, D.C., Chicago, Illinois and New York, New York. You may obtain information on the operation of the SEC's public reference facilities by calling the SEC at 1-800-SEC-0330. You can request copies of these documents, upon payment of a duplicating fee, by writing to the SEC at its principal office at 450 Fifth Street, N.W., Washington, D.C. 20549-1004. Our SEC filings are also accessible through the Internet at the SEC's website at <http://www.sec.gov>.

None of the TRMK Trusts is currently subject to the information reporting requirements of the Securities Exchange Act, for the reasons set forth under the caption "About This Prospectus."

The SEC permits us to incorporate by reference into this prospectus the information in documents we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this prospectus and later information that we file with the SEC will automatically update and supersede this information. This prospectus incorporates by reference Trustmark's Annual Report on Form 10-K (File No. 0-3683) for the year ended December 31, 2002, and Trustmark's Current Report on Form 8-K (File No. 0-3683) on April 15, 2003.

This prospectus also incorporates by reference any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act until we sell all of the securities being registered or until this registration is otherwise terminated.

If you request a copy of any or all of the documents incorporated by reference, then we will send to you the copies you requested at no charge. However, we will not send exhibits to such documents, unless such exhibits are specifically incorporated by reference in such documents. You should direct requests for such copies either by writing to us at Trustmark Corporation, 248 East Capitol Street, Jackson, Mississippi, 39201, attention: Zach L. Wasson, Treasurer, or by telephoning us at (601) 208-5111.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements in this prospectus and the documents incorporated by reference are not statements of historical fact and constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements relate to anticipated future operating and financial performance measures, including net interest margin, credit quality, business initiatives, growth opportunities and growth rates, among other things. Words such as "expects," "anticipates," "believes," "estimates" and other similar expressions are intended to identify these forward-looking statements. Such forward-looking statements are subject to certain risks, uncertainties and assumptions. Should one or more of these risks materialize, or should any such underlying assumptions prove to be significantly different, actual results may vary significantly from those anticipated, estimated, projected or expected. These risks could cause actual results to differ materially from current expectations of management and include the following:

The level of nonperforming assets, charge-offs and provision expense can be affected by local, state and national economic and market conditions as well as management's judgments regarding collectability of loans.

Material changes in market interest rates can materially affect many aspects of Trustmark's financial condition and results of operations. Trustmark is exposed to the potential of losses arising from adverse changes in market interest rates and prices which can adversely impact the value of financial products, including securities, loans, deposits, debt and derivative financial instruments. Factors that may affect the market interest rates include local, regional and national economic

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conditions; utilization and effectiveness of market interest rate contracts; and the availability of wholesale and retail funding sources to Trustmark. Many of these factors are outside Trustmark's control.

Increases in prepayment speeds of mortgage loans resulting from a declining interest rate environment will have an impact on the fair value of the mortgage servicing portfolio which can materially affect Trustmark's results of operations.

The costs and effects of litigation and of unexpected or adverse outcomes in such litigation can materially affect Trustmark's results of operations.

Competition in loan and deposit pricing, as well as the entry of new competitors into our markets through de novo expansion and acquisitions, among other means, could have an effect on Trustmark's operations in our existing markets.

Trustmark is subject to regulation by federal banking agencies and authorities and the Securities and Exchange Commission. Changes in existing regulations or the adoption of new regulations could make it more costly for Trustmark to do business or could force changes in the manner Trustmark does business, which could have an impact on Trustmark's financial condition or results of operations.

Although Trustmark believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. These statements are representative only as of the date hereof, and Trustmark does not assume any obligation to update these forward-looking statements or to update the reasons why actual results could differ from those projected in the forward-looking statements.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our historical consolidated ratio of earnings to fixed charges for the periods indicated.

	Fiscal Year Ended December 31,				
	1998	1999	2000	2001	2002
Excluding Interest on Deposits:	2.89	2.52	2.23	3.06	6.34
Including Interest on Deposits:	1.67	1.73	1.62	1.82	2.63

For purposes of computing our ratio of earnings to fixed charges, earnings consist of net income before extraordinary items plus applicable income taxes, fixed charges and amortization of capitalized interest. Fixed charges, excluding interest on deposits, consist of interest expense on federal funds purchased and securities sold under repurchase agreements, other interest expense (other than on deposits) and the portion of rentals representative of interest factor. Fixed charges, including interest on deposits, consist of interest expense on federal funds purchased and securities sold under repurchase agreements, all other interest expense and the portion of rentals representative of interest factor.

CERTAIN REGULATORY CONSIDERATIONS

As a bank holding company, Trustmark is subject to the regulation, supervision and examination of the Federal Reserve Board under the Bank Holding Company Act of 1956. We are required by the Federal Reserve Board to maintain certain levels of capital for bank regulatory purposes. We expect that any trust preferred securities issued hereunder will be treated as Tier 1 capital of Trustmark for these purposes.

Because Trustmark is a holding company, dividends and fees from subsidiaries are Trustmark's principal source of revenues from which to repay the junior subordinated debt securities. Trustmark's subsidiaries engaged in the banking, insurance and securities business can only pay dividends if they are in compliance with applicable United States federal and state regulatory requirements.

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USE OF PROCEEDS

Unless otherwise specified in a prospectus supplement accompanying this prospectus, the net proceeds from the sale of the offered securities will be added to our general funds and may be used to:

redeem or repurchase outstanding securities;

repay outstanding debt;

finance acquisitions of companies and other assets; and

provide working capital.

We may conduct concurrent or additional financings at any time. Pending such uses, we may invest the net proceeds in short term marketable securities.

RECENT DEVELOPMENTS

Early Retirement Program. In February 2003, Trustmark announced a voluntary early retirement program for associates age 58 and above with ten or more years of service. This program was accepted by 116 associates, or 4.75% of Trustmark's workforce. An after-tax charge of approximately \$4.1 million, or \$0.07 per share, was recognized in Trustmark's first quarter 2003 earnings in connection with this program.

First Quarter Earnings. On April 15, 2003, Trustmark announced earnings for the three months ended March 31, 2003.

Net income was \$24.5 million for the quarter ended March 31, 2003, representing basic and diluted earnings per share of \$0.41. This represents a 19% decrease in net earnings from the quarter ended March 31, 2002. Earnings during the quarter included an after-tax charge of approximately \$4.1 million in connection with a voluntary early retirement program, described in Recent Developments - Early Retirement Program, above.

Trustmark's performance for the quarter ended March 31, 2003, resulted in a return on average stockholders' equity of 14.88% and a return on average assets of 1.40%. The return on average stockholders' equity during the quarter ended March 31, 2002, was 18.22% and the return on average assets during that period was 1.79%.

Continued reductions in long-term interest rates reduced the value of Trustmark's mortgage servicing portfolio. In the quarter ended March 31, 2003, Trustmark recorded a non-cash after-tax charge of \$4.4 million to recognize the reduction in the value of its mortgage servicing portfolio resulting from customers taking advantage of the opportunity to refinance their homes at lower interest rates. Low interest rates also provided Trustmark with the opportunity to restructure a portion of its fixed income investment portfolio and reduce exposure to volatile interest rates. During the first quarter of 2003, Trustmark realized an after-tax net gain of \$5.3 million resulting from the sale of fixed income investment securities as part of this restructuring.

Stock Repurchase. During the quarter ended March 31, 2003, Trustmark repurchased approximately 1.3 million shares of its common stock. At March 31, 2003, Trustmark had authorization to repurchase up to an additional 1.6 million shares of its common stock. The repurchase program is subject to market conditions and management discretion.

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DESCRIPTION OF COMMON STOCK

The following summary is not complete. You should refer to the applicable provisions of Trustmark's Articles of Incorporation, as amended, and to the Mississippi Business Corporation Act for a complete statement of the terms and rights of the common stock.

Trustmark has authorized 250 million shares of common stock, no par value. The common stock is listed on the NASDAQ national market system. Its symbol is TRMK.

Dividend Rights

Holders of outstanding shares of common stock are entitled to receive such dividends, if any, as may be declared by the Board of Directors of Trustmark, in its discretion, out of funds legally available therefor.

Voting Rights

Holders of common stock are entitled to one vote per share on all matters to be voted on by the shareholders of Trustmark, including the election of directors. Holders of common stock have cumulative voting rights with respect to the election of directors. Under the Mississippi Business Corporation Act, an affirmative vote of the majority of the shareholders present at a meeting is sufficient in order to take most shareholder actions. Certain extraordinary actions, such as mergers and share exchanges, require the affirmative vote of a majority of the shares entitled to vote.

Liquidation Rights

In the event of the liquidation of Trustmark, the holders of common stock are entitled to receive pro rata any assets distributed to shareholders with respect to their shares, after payment of all debts and payments to holders of preferred stock of Trustmark, if any.

Preemptive Rights

Holders of common stock have no right to subscribe to additional shares of capital stock that may be issued by Trustmark.

DESCRIPTION OF PREFERRED STOCK

Under Trustmark's Articles of Incorporation, as amended, the Board of Directors of Trustmark has the authority, without further shareholder action, to issue a maximum of 20,000,000 shares of preferred stock, in one or more series, with such terms and for such consideration as may be fixed by the Board of Directors.

No preferred shares are currently issued and outstanding.

The following describes certain general terms and provisions of preferred stock to which any prospectus supplement may relate. The terms of any series of preferred stock offered by any prospectus supplement and, if applicable, certain additional material United States federal income tax consequences relating to such series of preferred stock, will be specified in the applicable prospectus supplement. Therefore, the terms of any series of preferred stock may, and likely will, differ from the terms described below.

Neither this description nor the description in a prospectus supplement purports to be complete but each is subject to and qualified in its entirety by reference to the certificate of designation that will set out the terms of the applicable series of preferred stock. The certificate of designation will be filed as an exhibit to, or incorporated by reference in, the registration statement of which this prospectus forms a part.

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General

Trustmark's Board of Directors is authorized to set the terms of a series of preferred stock before issuance, including, but not limited to, (1) the number of shares to comprise the series; (2) the dividend rate or rates payable with respect to the shares of the series; (3) any redemption price or prices and the terms and conditions of the redemption; (4) any voting rights; (5) any sinking fund provisions for the redemption or purchase of the shares of the series; (6) any terms and conditions upon which the shares are convertible; and (7) any other rights, preferences and limitations pertaining to such series.

The preferred stock will, when issued, be fully paid and nonassessable. The preferred stock will have no preemptive rights to subscribe for any additional securities which may be issued by Trustmark.

Dividends

As established in the certificate of designation and as described in the applicable prospectus supplement, the holders of the preferred stock will be entitled to receive dividends on such preferred stock when and if declared by the Board of Directors of Trustmark. These dividends will be paid only out of funds legally available for such payment. Dividends will be payable at such rates and on such dates as described in the applicable prospectus supplement. Dividend rates may be fixed or variable or both. If variable, the formula used for determining the dividend rate for each dividend period will be specified in the applicable prospectus supplement. Dividends will be payable to the holders of record as they appear on the stock record books of Trustmark, or, if applicable, the records of the depository of any depository shares, on the record dates fixed by the Board of Directors of Trustmark. Dividends may be paid in the form of cash, preferred stock of the same or a different series, or common stock of Trustmark, in each case as specified in the applicable prospectus supplement. Dividends on any series of preferred stock may be cumulative or noncumulative, as specified in the applicable prospectus supplement. If the Board of Directors of Trustmark fails to declare a dividend payable on a dividend payment date on any preferred stock for which dividends are noncumulative, then the holders of that preferred stock will have no right to receive a dividend in respect of the dividend period relating to that dividend payment date. In such case, Trustmark will have no obligation to pay the dividend accrued for that period, whether or not dividends on the preferred stock are declared or paid on any future dividend payment dates.

Trustmark will not declare or pay dividends (other than in common stock of Trustmark or other shares of Trustmark ranking junior to the preferred stock as to dividends and upon liquidation) on its common stock or on any other of its shares which rank junior to or on a parity with the preferred stock as to dividends or upon liquidation, and no common stock or any other shares of Trustmark ranking junior to or on a parity with the preferred stock as to dividends or upon liquidation will be redeemed, purchased or otherwise acquired (or any moneys paid or made available for a sinking fund for the redemption of any such shares) except by conversion into or exchange for shares of Trustmark ranking junior to such preferred stock as to dividends and upon liquidation unless, (1) in the case cumulative preferred stock is then outstanding, full cumulative dividends have been or are contemporaneously declared and paid or declared and a sum sufficient for such payment set apart for payment, and (2) in the case noncumulative preferred stock is then outstanding, dividends for the then current dividend period on such preferred stock have been or are contemporaneously declared and paid or declared and a sum sufficient for such payment set apart for payment.

Redemption

We may issue a series of preferred stock that is redeemable, in whole or in part, at the option of Trustmark. The terms, if any, on which any series of preferred stock may be redeemed shall be established in the certificate of designation for such series of preferred stock and will be summarized in the prospectus supplement relating to that series.

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Conversion Rights

We may issue a series of preferred stock that is convertible into or exchangeable for our common stock or a different series of preferred stock, other securities, property or cash, or a combination of any of them. The terms, if any, on which any series of preferred stock may be convertible or exchangeable shall be established in the certificate of designation for such series of preferred stock and will be summarized in the prospectus supplement relating to that series.

Rights Upon Liquidation

The rights of the holders of any series of preferred stock in the event of any voluntary or involuntary liquidation, dissolution or winding up of Trustmark, if any, will be established in the certificate of designation for such series and will be summarized in the prospectus supplement relating to that series. Because Trustmark is a holding company, its rights and the rights of holders of its securities, including the holders of preferred stock, to participate in the assets of any Trustmark subsidiary upon the latter's liquidation or recapitalization will be subject to the prior claims of such subsidiary's creditors and any preferred stockholders of that subsidiary, except to the extent Trustmark may itself be a creditor with recognized claims against such subsidiary or a holder of preferred shares of such subsidiary.

Voting Rights

Except as expressly required by applicable law or provided for in the applicable certificate of designation and prospectus supplement, the holders of preferred stock will not be entitled to vote. In the event Trustmark issues full shares of any series of preferred stock, each share will be entitled to one vote on matters on which holders of the series of the preferred stock are entitled to vote. However, as more fully described under

Description of Depositary Shares below, if Trustmark elects to issue depositary shares representing a fraction of a share of a series of preferred stock, each depositary share will, in effect, be entitled to a fraction of a vote, rather than a full vote, per depositary share. Since each full share of any series of preferred stock of Trustmark will be entitled to one vote, the voting power of a share of preferred stock, on matters on which holders of that series and holders of other series of preferred stock are entitled to vote as a single class, will depend on the relative number of shares in the series, not the aggregated stated value, liquidation preference or initial offering price of the shares of such series.

Under interpretations adopted by the Federal Reserve Board, if the holders of preferred stock of any series become entitled to vote for the election of directors, such series may then be deemed a class of voting securities. A holder of 25% or more of a class of voting securities, or a holder less than 25% if it exercises a controlling influence over Trustmark, may then be subject to regulation as a bank holding company in accordance with the Bank Holding Company Act of 1956. In addition, at the time a class of preferred stock is deemed a class of voting securities, any other bank holding company may be required to obtain the prior approval of the Federal Reserve Board to acquire 5% or more of the series, and any person other than a bank holding company may be required to obtain the prior approval of the Federal Reserve Board to acquire 10% or more of the series.

DESCRIPTION OF DEPOSITARY SHARES

The following is a general description of the depositary shares to which this prospectus and any prospectus supplement may relate. The applicable prospectus supplement will describe the specific terms of the depositary shares offered through that prospectus supplement, as well as any general terms described in this section that will not apply to those depositary shares and, if applicable, a discussion of certain material United States federal income tax consequences of owning the depositary shares offered.

The following description of the depositary shares is subject to the detailed provisions of the depositary receipts and the deposit agreement relating to the applicable series of preferred stock, the form of each of which will be filed as an exhibit to, or incorporated by reference in, the registration statement of which this prospectus is a part at the time of the offering of the securities pursuant thereto. Whenever

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particular provisions of the depositary receipts or deposit agreement, or terms defined therein, are referred to, those provisions or definitions are incorporated by reference herein and such descriptions are qualified in their entirety by such reference. We urge you to read the depositary receipts and the depositary agreement because they, and not this description, describe every detail of the terms of the depositary shares. The summary below of the general terms of the depositary shares will be supplemented by the more specific terms in a prospectus supplement.

General

Trustmark may, at its option, elect to have shares of its preferred stock represented by depositary shares. The shares of any series of preferred stock underlying the depositary shares will be deposited under a separate deposit agreement that we will enter into with a bank or trust company of our choosing. The prospectus supplement relating to a series of depositary shares will give the name and address of the depositary. Subject to the terms of the deposit agreement, each owner of a depositary share will be entitled to all the rights and preferences of the preferred stock underlying the depositary share in proportion to the applicable interest in the preferred stock underlying the depositary share.

The depositary shares will be evidenced by depositary receipts issued pursuant to the deposit agreement. Each depositary share will represent the applicable interest in a number of shares of a particular series of the preferred stock described in the applicable prospectus supplement.

Unless otherwise provided in the applicable prospectus supplement, upon surrender of depositary shares at the office of the depositary and upon payment of the charges provided in the deposit agreement, a holder of depositary shares will be entitled to the number of whole shares of the related series of preferred stock evidenced by the surrendered depositary shares.

Dividends and Other Distributions

The depositary will distribute all cash dividends or other cash distributions received in respect of the preferred stock to the record holders of depositary shares representing the preferred stock in proportion to the number of the depositary shares owned by the holders on the relevant record date. The depositary will distribute only that amount which can be distributed without attributing to any depositary shareholders a fraction of one cent, and any balance not so distributed will be added to and treated as part of the next sum received by the depositary for distribution to record depositary shareholders.

If there is a distribution other than in cash, the depositary will distribute property to the entitled record depositary shareholders, unless the depositary determines that it is not feasible to make that distribution. In that case the depositary may, with our approval, adopt the method it deems equitable and practicable for making that distribution, including any sale of property and the distribution of the net proceeds from this sale to the concerned holders.

The deposit agreement will also contain provisions relating to the manner in which any subscription or similar rights we offer to holders of preferred stock will be made available to holders of depositary shares.

Conversion and Exchange

If any preferred stock underlying depositary shares is convertible or exchangeable, each record holder of depositary shares will have the right or obligation to convert or exchange the depositary shares in the manner provided in the deposit agreement and described in the applicable prospectus supplement.

Redemption by Trustmark

If the preferred stock underlying depositary shares is subject to redemption at our option, the depositary shares will be redeemed from the redemption proceeds received by the depositary. The redemption price per depositary share will be equal to the aggregate redemption price payable with respect to the number of shares of preferred stock underlying the depositary shares. Whenever we redeem preferred stock from the depositary, the depositary will redeem as of the same redemption date a

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proportionate number of depositary shares representing the shares of preferred stock that we redeemed. If less than all the depositary shares are to be redeemed, the depositary shares to be redeemed will be selected by lot or pro rata as we may determine.

After the date fixed for redemption of the underlying preferred stock, the depositary shares called for redemption will no longer be deemed to be outstanding and all rights of the holders of the depositary shares will cease, except the right to receive the redemption price. Any funds Trustmark deposits with the depositary for any depositary shares that the holders fail to redeem will be returned to us after two years from the date the funds are deposited.

Voting

Upon receipt of notice of any meeting or action in lieu of any meeting at which the holders of any shares of preferred stock underlying the depositary shares are entitled to vote, the depositary will mail the information contained in the notice to the record holders of the depositary shares relating to the preferred stock. Each record holder of the depositary shares on the record date, which will be the same date as the record date for the preferred stock, will be entitled to instruct the depositary as to the exercise of the voting rights pertaining to the number of shares of preferred stock underlying the holder's depositary shares. The depositary will endeavor, insofar as practicable, to vote the number of shares of preferred stock underlying the depositary shares in accordance with these instructions, and we will agree to take all action that the depositary deems necessary to enable the depositary to do so.

Amendment

The depositary receipt evidencing the depositary shares and any provision of the deposit agreement may at any time be amended by agreement between Trustmark and the depositary. However, any amendment that materially and adversely alters the rights of the existing holders of depositary shares will not be effective unless the amendment has been approved by the record holders of at least a majority of the depositary shares then outstanding.

Charges of Depositary

We will pay all transfer and other taxes and governmental charges that arise solely from the existence of the depositary arrangements. We will also pay charges of the depositary in connection with the initial deposit of the preferred stock and any exchange or redemption of the preferred stock. Holders of depositary shares will pay all other transfer and other taxes and governmental charges, and, in addition, any other charges that are expressly provided in the deposit agreement to be for their accounts.

Resignation and Removal of Depositary

The depositary may resign at any time by delivering to us notice of its election to do so, and we may at any time remove the depositary. Any resignation or removal will take effect upon the appointment of a successor depositary and its acceptance of the appointment. We will appoint the successor depositary within 60 days after delivery of the notice of resignation or removal.

Termination of Deposit Agreement

The depositary may terminate, or we may direct the depositary to terminate, the deposit agreement if:

we have redeemed or reacquired all outstanding depositary shares relating to the deposit agreement; or

there has been a final distribution in respect of the preferred stock of any series in connection with our liquidation, dissolution or winding up and such distribution has been made to the related depositary shareholders.

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Upon termination of the deposit agreement, the depository will discontinue the transfer of depository receipts, will suspend the distribution of dividends, and will not give any further notices (other than notice of the termination) or perform any further acts under the deposit agreement. However, the depository will continue to deliver preferred stock certificates, together with dividends and distributions and the net proceeds of any sales of property, in exchange for depository receipts surrendered. At our request, the depository will deliver to us all books, records, certificates evidencing preferred stock, depository receipts and other documents relating to the deposit agreement.

Miscellaneous

We, or at our option the depository, will make available to the holders of depository shares all reports and communications that we are required to furnish to the holders of preferred stock.

Neither Trustmark nor the depository will be liable if the depository is prevented or delayed by law or any circumstance beyond its control in performing its obligations under the deposit agreement. Our obligations and those of the depository under the deposit agreement will be limited to performance in good faith of their respective duties under the deposit agreement. Neither Trustmark nor the depository will be obligated to prosecute or defend any legal proceeding regarding any depository share or preferred stock unless satisfactory indemnity has been furnished. Trustmark and the depository may rely upon written advice of counsel or accountants. Trustmark and the depository may also rely upon information provided to them by persons presenting preferred stock for deposit, holders of depository shares or other persons Trustmark or the depository believe to be competent. Trustmark and the depository may also rely upon documents they believe to be genuine.

DESCRIPTION OF DEBT SECURITIES

The following is a general description of the debt securities to which this prospectus and any prospectus supplement may relate. The applicable prospectus supplement will describe the specific terms of the debt securities offered through that prospectus supplement, as well as any general terms described in this section that will not apply to those debt securities. A copy of the form of senior indenture has been filed as an exhibit to the registration statement of which this prospectus is a part. The indenture will be qualified under the Trust Indenture Act. Unless otherwise stated, the senior debt securities and the subordinated debt securities are together referred to as the debt securities.

General

We may issue from time to time one or more series of debt securities under one or more separate indentures between us and Wilmington Trust Company, as trustee. The debt securities will be our direct, unsecured obligations. The senior debt securities will rank equally with all of our other senior debt. The indentures will not limit the amount of debt securities that we may issue. The subordination provisions of any subordinated debt securities will be described in the applicable prospectus supplement.

The following description of the debt securities is subject to the detailed provisions of the proposed indenture for the debt securities. A copy of the indenture will either be filed as an exhibit to the registration statement of which this prospectus is a part at the time of effectiveness, or will be filed as an exhibit to, or incorporated by reference in, the registration statement of which this prospectus is a part at the time of the offering of securities pursuant thereto. We urge you to read the indenture because the indenture, and not this description, defines your rights as a holder of debt securities, and will describe in detail the terms of the debt securities summarized below. The summary below of the general terms of the debt securities will be supplemented by the more specific terms in a prospectus supplement. Unless otherwise stated herein or in an applicable prospectus supplement, the following indenture description will apply to both senior and subordinated debt securities.

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Terms Applicable to Debt Securities

The prospectus supplement for a particular series of debt securities will specify the terms of the series of debt securities. These terms will include some or all of the following:

the classification of the offered debt securities as senior or subordinated debt securities and, if applicable, the subordination provisions that will apply;

the specific designation, the aggregate principal amount, the purchase price and the authorized denominations of the offered debt securities;

the percentage of the principal amount at which the debt securities will be issued;

the date or dates on which the debt securities will mature;

the currency, currencies or currency units in which payments on the debt securities will be payable;

if other than the remaining outstanding principal amount, the principal amount of the debt securities that we will pay upon declaration of acceleration of their maturity;

the rate or rates at which the debt securities will bear interest, if any, or the method of determination of such rate or rates;

if applicable, the premium on the debt securities or the method of determination of such premium;

the date or dates from which the interest, if any, shall accrue, the dates on which the interest, if any, will be payable and the method of determining holders to whom any of the interest shall be payable;

the prices, if any, at which, and the dates at or after which, we may or must repay, repurchase or redeem the debt securities;

any right or requirement to convert the debt securities into, or exchange the debt securities for, shares of our common stock, preferred stock, other securities, property or cash, or a combination of any of them;

any sinking fund obligation with respect to the debt securities;

the exchanges, if any, on which the debt securities may be listed;

any addition to or change in the events of default, covenants or defeasance provisions in the indenture;

if applicable, certain additional material United States federal income tax consequences; and

any other material terms of the debt securities, consistent with the provisions of the indenture.

The indenture will not contain any provisions that:

limit our ability to incur indebtedness; or

provide protection in the event we choose to engage in a highly leveraged transaction, reorganization, restructuring, merger or similar transaction.

Some of the debt securities may be issued as discounted debt securities, which are debt securities sold at a substantial discount below their stated principal amount. The prospectus supplement relating to any discounted series of debt securities will describe any special consequences applicable to discounted debt securities.

Conversion and Exchange

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We may issue debt securities that are convertible into or exchangeable for our common stock or preferred stock, other securities, property or cash, or a combination of any of them. The terms, if any, on which debt securities of any series will be convertible or exchangeable will be summarized in the

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prospectus supplement relating to those debt securities. Those terms may include provisions, as applicable, for conversion or exchange on a mandatory basis, at your option, or at our option, in which case the number of shares of our common stock or preferred stock, or the other securities, property or cash, to be received upon the conversion or exchange of those debt securities would be calculated according to the factors and at such time as summarized in the related prospectus supplement. The prospectus supplement will also summarize certain of the material United States federal income tax consequences applicable to any such convertible or exchangeable debt securities.

Reopening of Issue

We may, from time to time, reopen an issue of debt securities and issue additional debt securities with the same terms (including maturity date and interest rate) as debt securities issued on an earlier date. After such additional debt securities are issued, they will be fungible with the debt securities issued on the earlier date to the extent specified in the applicable prospectus supplement.

Ranking

The senior debt securities will be unsecured, and will rank equal in right of payment with all of our existing and future unsecured and unsubordinated indebtedness. The ranking of the subordinated debt securities will be described in the applicable prospectus supplement.

Covenants

The indenture shall provide that for so long as any debt securities remain outstanding under the indenture, or any amount remains unpaid on any of the debt securities outstanding under the indenture, we will comply with the applicable terms of the covenants contained in the indenture and, with respect to a series of debt securities, such other covenants as may be provided in the terms of that series of debt securities and described in the applicable prospectus supplement. The prospectus supplement will summarize the covenants contained in the applicable indenture, which will include some or all of the following:

Payment of Securities

We will duly and punctually pay the principal of and interest on the debt securities in accordance with the terms of the debt securities and the indenture.

Maintenance of Office or Agency

We will maintain in the Borough of Manhattan, the City of New York, and such other locations as may be required or specified in any prospectus supplement, an office or agency where the debt securities may be paid and notices and demands to or upon us in respect of the debt securities and the indentures may be served and an office or agency where debt securities may be surrendered for registration of transfer or exchange. We will give prompt written notice to the trustee of the location, and any change in the location, of each such office or agency. If at any time we shall fail to maintain any required office or agency or shall fail to furnish the trustee with the address of any required office or agency, all presentations, surrenders, notices and demands may be served at the office of the trustee.

Further Assurances

We will execute and deliver all documents, instruments and agreements, and do all other acts and things as may be reasonably required, to enable the trustee to exercise and enforce its rights under an indenture and under the documents, instruments and agreements required under the indenture and to carry out the intent of the indenture.

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SEC Reports

We are subject to the informational reporting requirements of Sections 13 and 15(d) under the Securities Exchange Act and, in accordance with those requirements, we file certain reports and other information with the SEC. See *Where You Can Find More Information; Documents Incorporated By Reference*. If Sections 13 and 15(d) cease to apply to us, so that we no longer file those reports or other information with the SEC, we will instead provide copies of the reports and information that would have been required under Sections 13 and 15(d) of the Securities Exchange Act to the trustee.

Compliance Certificates

We will file annually with the trustee a certificate describing any default, which is defined in the indenture as any event which is, or after notice or passage of time or both would be, an event of default, in the performance of any conditions or covenants under the indenture and the status of any such default. We also must give the trustee written notice within 30 days of the occurrence of certain defaults under the indenture that could mature into events of default, as described under the caption *Events of Default* below.

Merger, Consolidation or Sale of Assets

We will not consolidate or combine with or merge with or into or, directly or indirectly, sell, assign, convey, lease, transfer or otherwise dispose of all or substantially all of our properties and assets to any person or persons in a single transaction or series of transactions, unless:

we are the surviving entity, or, if we are not the surviving entity, the surviving entity is a corporation or limited liability company organized and existing under the laws of the United States, any state or the District of Columbia;

the surviving entity assumes our obligations on each outstanding series of debt securities and executes a supplemental indenture which is delivered, and is in form and substance reasonably satisfactory, to the trustee;

immediately after giving effect to the transaction, no default shall have occurred and be continuing; and

we or the surviving entity deliver to the trustee an opinion of counsel stating that the transaction or series of transactions and the supplemental indenture, if any, complies with the applicable provisions of the indenture.

If any consolidation or merger or any sale, assignment, conveyance, lease, transfer or other disposition of all or substantially all of our properties and assets occurs in accordance with the indenture, the surviving entity (if other than us) will succeed to, and be substituted for, and may exercise every right and power we have under the indenture with the same effect as if such surviving entity had originally been named in the indenture and, except for any lease, we will be discharged from all obligations and covenants under the indenture and the debt securities.

Events of Default

The prospectus supplement will specify what events constitute events of default under the indenture with respect to a series of debt securities, which will include some or all of the following:

default for 30 days in payment of any interest installment due and payable on any debt securities of such series;

default in payment of principal or premium, if any, when due on the debt securities of such series;

default in the making of any sinking fund payment or analogous obligation on the debt securities of such series;

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material default in our performance of any other covenant or agreement in respect of the debt securities of such series;

default in the payment when due (whether at maturity, upon redemption or acceleration or otherwise) of the principal or premium, if any, of any indebtedness for money borrowed by us or any of our significant subsidiaries (including any other series of debt securities issued under the indenture) in excess of \$20,000,000 if such default shall continue unremedied or unwaived for more than 30 business days after the expiration of any grace period or extension of the time for payment; and

events of bankruptcy, insolvency and reorganization specified in the indenture.

An event of default under one series of debt securities may, but will not necessarily, constitute an event of default under any other series of debt securities.

The indenture will provide that if an event of default occurs and is continuing with respect to any series of debt securities, either the trustee or the registered holders of at least 25% in aggregate principal amount of that series of debt securities may declare the principal amount of those debt securities and any accrued and unpaid interest on those debt securities to be due and payable immediately. At any time after a declaration of acceleration, but before a judgment or decree for payment of money has been obtained, if all events of default with respect to those debt securities have been cured (other than the nonpayment of principal of such debt securities which has become due solely by reason of the declaration of acceleration) then the declaration of acceleration shall be automatically annulled and rescinded.

The indenture will require that we file annually with the trustee a certificate describing any default by us in the performance of any conditions or covenants that has occurred under the indenture and the status of such default. See Covenants Compliance Certificates above. We must give the trustee written notice within 30 days of any default under the indenture that could mature into an event of default described in the last two bullets above.

The trustee will be entitled under the indenture, subject to the duty of the trustee during a default to act with the required standard of care, to be indemnified before proceeding to exercise any right or power under the indenture at the direction of the registered holders of the debt securities or which requires the trustee to expend or risk its own funds or otherwise incur any financial liability. The indenture will also provide that the registered holders of a majority in principal amount of the outstanding debt securities of any series issued under the indenture may direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee with respect to that series of debt securities. The trustee, however, may refuse to follow any such direction that conflicts with law or the indenture, is unduly prejudicial to the rights of other registered holders of that series of debt securities, or would involve the trustee in personal liability.

The indenture will provide that while the trustee generally must mail notice of a default or an event of default to the registered holders of the debt securities of any series issued under the indenture within 90 days of the trustee's knowledge of its occurrence, the trustee may withhold notice of any default or event of default (except with respect to a default in payment on the debt securities) if the trustee in good faith determines that the withholding of such notice is in the interest of the registered holders of that series of debt securities.

Modification of the Indenture

We and the trustee may amend or supplement the indenture if the holders of a majority in principal amount of the outstanding debt securities of each series of debt securities affected by the amendment or supplement consent to it, except that no amendment or supplement may, without the consent of each affected registered holder of that series:

reduce the amount of principal we must repay or change the date of maturity;

reduce the rate or change the time of payment of interest;

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change the currency of payment;

modify any redemption or repurchase right to the detriment of the holder;

reduce the percentage of the aggregate principal amount of debt securities needed to consent to an amendment or supplement; or

change the provisions of the indenture relating to waiver of past defaults, rights of registered holders of the debt securities to receive payments or amendments of the indenture that require the consent of registered holders of each affected series.

Actions by Holders

A holder of debt securities of a series may not pursue any remedy with respect to the indenture or such series (except a registered holder of debt securities of such series may bring an action for payment of overdue principal, premium, if any, or interest on its debt securities), unless:

the registered holder has given notice to the trustee of such series of a continuing event of default;

registered holders of at least 25% in principal amount of that series of debt securities have made a written request to the trustee of such series to pursue such remedy;

such registered holder or holders have offered the trustee of such series security or indemnity reasonably satisfactory to the trustee against any loss, liability or expense;

the trustee of such series has not complied with such request within 60 days of such request and offer; and

the registered holders of a majority in principal amount of that series of debt securities have not given the trustee of such series an inconsistent direction during that 60-day period.

Defeasance, Discharge and Termination

Defeasance and Discharge

Unless otherwise provided in the terms of the particular series of debt securities and described in the applicable prospectus supplement, we may discharge any and all of our obligations in respect of a series of debt securities, and the provisions of the indenture will no longer be in effect with respect to that series of debt securities (except for, among other matters, certain obligations to register the transfer or exchange of those debt securities, to replace stolen, lost or mutilated debt securities, to maintain paying agencies and to hold monies for payment in trust, and the rights of holders of that series to receive payments of principal, premium, if any, and interest), on the 123rd day after the date of the deposit with the trustee, in trust, of money or U.S. Government Obligations (as defined below) that, through the payment of interest, principal and premium, if any, in accordance with their terms, will provide money in an amount sufficient to pay the principal, premium, if any, and interest on that series of debt securities, when due in accordance with the terms of the indenture and those debt securities. Such a trust may only be established if, among other things,

we shall have delivered to the trustee either:

an opinion of outside counsel with respect to certain tax matters as described in the indenture, including that registered holders of that series will not recognize income, gain or loss for federal income tax purposes as a result of the deposit, defeasance and discharge and will be subject to federal income tax on the same amount and in the same manner and at the same times as would have been the case if such deposit, defeasance and discharge had not occurred; or

a ruling of the U.S. Internal Revenue Service to that effect;

no default under the indenture with respect to that series shall have occurred and be continuing on the date of such deposit or during the period ending on the 123rd day after the date of deposit;

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the deposit shall not result in or constitute a default or result in a breach or violation of, or constitute a default under, any other agreement or instrument to which we are a party or by which we are bound; and

we have delivered to the trustee an opinion of counsel stating that such conditions have been complied with.

U.S. Government Obligations are defined under the indenture as securities that are (x) direct obligations of the United States for the payment of which its full faith and credit is pledged or (y) obligations of a person controlled or supervised by and acting as an agency or instrumentality of the United States, the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States and which, in either case, are not callable or redeemable before their maturity.

Termination of Obligations in Certain Circumstances

Unless otherwise provided in the terms of the particular series of debt securities and described in the applicable prospectus supplement, we may at any time discharge any and all obligations in respect of a series of debt securities and the provisions of the indenture will no longer be in effect with respect to that series of debt securities (except to the extent provided under *Defeasance and Discharge* above) if that series of debt securities matures within one year of such time and we deposit with the trustee, in trust, money or U.S. Government Obligations that, through the payment of interest and principal in accordance with their terms, will provide money in an amount sufficient to pay the principal of, premium, if any, and accrued interest on that series of debt securities when due in accordance with the terms of the indenture and that series of debt securities. Such a trust may only be established if, among other things:

no default under the indenture with respect to that series shall have occurred and be continuing on the date of such deposit;

the deposit will not result in or constitute a default or result in a breach or violation of, or constitute a default under, any other agreement or instrument to which we are a party or by which we are bound; and

we have delivered to the trustee an opinion of counsel stating that such conditions have been complied with.

Pursuant to this provision, we are not required to deliver an opinion of counsel to the effect that registered holders of that series will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such deposit and termination, and there is no assurance that registered holders of that series would not recognize income, gain or loss for U.S. federal income tax purposes as a result thereof or that they would be subject to U.S. federal income tax on the same amount and in the same manner and at the same times as would h