

DIRECTV FINANCING CO INC  
Form 424B2  
September 12, 2012

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#### CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities Offered	Maximum Aggregate Offering Price	Amount of Registration Fee
4.375% Senior Notes due 2029	\$1,207,500,000(1)	\$138,379.50(2)
Guarantees of 4.375% Senior Notes due 2029(3)		

- (1) £750,000,000 aggregate principal amount of the 4.375% Notes due 2029 will be issued. The Maximum Aggregate Offering Price is based on the September 11, 2012 Sterling/U.S.\$ exchange rate of £1/U.S.\$1.61.
- (2) Calculated in accordance with Rule 457(r) of the Securities Act of 1933, as amended (the "Securities Act").
- (3) Pursuant to Rule 457(n) of the Securities Act, no separate registration fee is payable for the guarantees.

Filed Pursuant to Rule 424(B)(2)  
Registration Statement No. 333-168705

**PROSPECTUS SUPPLEMENT**  
**(To Prospectus dated September 10, 2012)**

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**DIRECTV Holdings LLC**  
**DIRECTV Financing Co., Inc.**

**£750,000,000 4.375% Senior Notes due 2029**

The 4.375% Senior Notes will mature on September 14, 2029 (the "notes"). Interest will accrue on the notes from September 14, 2012. The issuers of the notes, DIRECTV Holdings LLC and DIRECTV Financing Co., Inc., will pay interest on the notes on September 14 of each year, beginning on September 14, 2013.

The issuers may redeem some or all of the notes at any time or from time to time prior to their maturity at the "make whole" price discussed under "Description of Notes - Optional redemption." As described under "Description of Notes - Change of control and rating decline," if the issuers experience specific kinds of changes of control accompanied by a rating decline, they will be required to offer to purchase the notes from holders.

The notes and the guarantees will be the unsecured senior obligations of the issuers and the guarantors and will rank equally in right of payment with all of the issuers' and the guarantors' existing and future senior debt and will rank senior in right of payment to all of the issuers' and the guarantors' future subordinated debt, if any. The notes will be guaranteed by DIRECTV, the parent company of the issuers, and DIRECTV Holdings LLC's material existing and certain of its future domestic subsidiaries (other than DIRECTV Financing Co., Inc. which is a co-issuer of the notes). The notes are effectively subordinated to any obligations secured by liens, to the extent of the value of the assets subject to those liens.

We intend to apply to list the notes on the New York Stock Exchange. Currently, there is no public market for the notes.

*Investing in the notes involves risks. See "Risk Factors" beginning on page S-21 herein for a discussion of factors you should consider carefully before investing in the notes.*

	<b>Price to Investors</b>	<b>Underwriters' Discount</b>	<b>Proceeds to Us Before Expenses</b>
Per note due 2029 <sup>(1)</sup>	98.923%	0.65%	98.273%
Total	£741,922,500	£4,875,000	£737,047,500

(1)

Plus accrued interest, if any, from September 14, 2012, if settlement occurs after that date.

**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.**

We expect that delivery of the notes will be made to investors in book-entry form through Clearstream Banking S.A. Luxembourg and the Euroclear System on or about September 14, 2012.

*Joint Book-Running Managers*

**Barclays  
Citigroup**

**Credit Suisse**

**Deutsche Bank  
UBS Investment Bank**

*Co-Managers*

**Banco Bilbao Vizcaya Argentaria, S.A.**

**BofA Merrill Lynch**

**Credit Agricole CIB**

**Goldman Sachs International**

**HSBC**

**Lloyds Bank**

**J.P. Morgan**

**Mitsubishi UFJ Securities**

**Mizuho Securities**

**Morgan Stanley**

**Santander GBM**

**RBS**

**US Bancorp**

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**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into the prospectus. The second part, the accompanying prospectus, gives more general information, some of which does not apply to this offering.

If the description of this offering or the notes or any other information varies between this prospectus supplement and the accompanying prospectus, you should rely on the information contained in or incorporated by reference into this prospectus supplement. You should also read and consider the additional information under the captions "Where you can find more information" and "Incorporation by reference" in this prospectus supplement.

**You should rely only on the information contained or incorporated by reference in this prospectus supplement, in the accompanying prospectus and in any free writing prospectus with respect to the offering filed by us with the U.S. Securities and Exchange Commission, or the SEC. We have not, and the underwriters have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We do not, and the underwriters and their affiliates do not, take any responsibility for, and can provide no assurance as to the information others may give you. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus, any free writing prospectus with respect to the offering filed by us with the SEC and the documents incorporated by reference herein and therein is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.**

The underwriters are offering to sell, and are seeking offers to buy, the notes only in jurisdictions where offers and sales are permitted. The distribution of this prospectus supplement and the accompanying prospectus and the offering of the notes in certain jurisdictions may be restricted by law. Persons outside the United States who come into possession of this prospectus supplement and the accompanying prospectus must inform themselves about and observe any restrictions relating to the offering of the notes and the distribution of this prospectus supplement and the accompanying prospectus outside the United States. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer to sell, or a solicitation of an offer to buy, any securities offered by this prospectus supplement and the accompanying prospectus by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

References in this prospectus supplement to "\$," "dollars" and "U.S. dollars" are to the currency of the United States of America; references to "£" and "Sterling" are to the currency of the United Kingdom.

**IN CONNECTION WITH THE ISSUE OF THE NOTES, BARCLAYS BANK PLC (IN THIS CAPACITY, THE "STABILIZING MANAGER") (OR ANY PERSON ACTING ON ITS BEHALF) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILIZING MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILIZING MANAGER) WILL UNDERTAKE ANY STABILIZATION ACTION. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE FINAL TERMS OF THE OFFER OF THE NOTES IS MADE, AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES.**

**ANY STABILIZATION ACTION COMMENCED WILL BE CARRIED OUT IN ACCORDANCE WITH APPLICABLE LAWS AND REGULATIONS.**

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**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and current reports, and other information with the SEC. We also have filed with the SEC a registration statement on Form S-3 under the Securities Act of 1933, as amended, or the Securities Act, with respect to our registered debt securities. This prospectus supplement, which is a part of the registration statement, omits certain information included in the registration statement and in its exhibits. For further information relating to us and the notes, we refer you to the registration statement and its exhibits. The descriptions of each contract and document contained in this prospectus supplement are summaries and qualified in their entirety by reference to the copy of that contract or document filed as an exhibit to the registration statement. You may read and copy the registration statement, including its exhibits, at the SEC's Public Reference Room located at 100 F Street, N.E., Washington D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet site ([www.sec.gov](http://www.sec.gov)) that contains reports, proxy and information statements and other information regarding registrants like us who file electronically with the SEC.

You should rely only upon the information provided in or incorporated by reference in this prospectus supplement. We have not authorized anyone to provide you with different information. You should not assume that the information in or incorporated by reference in this prospectus supplement is accurate as of any date other than the dates specified in this prospectus supplement.

**INCORPORATION BY REFERENCE**

We are "incorporating by reference" information we file with the SEC, which means:

incorporated documents are considered part of this prospectus supplement;

we can disclose important information to you by referring you to those documents; and

information that we file later with the SEC automatically will update and supersede information contained in this prospectus supplement.

We are incorporating by reference the following documents which we have previously filed with the SEC:

- (1) our Annual Report on Form 10-K for the year ended December 31, 2011, filed on February 23, 2012;
- (2) our Quarterly Reports on Form 10-Q for the quarter ended March 31, 2012, filed on May 9, 2012 and for the quarter ended June 30, 2012, filed on August 3, 2012;
- (3) the portions of our Definitive Proxy Statement on Schedule 14A, filed on March 16, 2012 that are incorporated by reference into Part III of our Annual Report on Form 10-K for the year ended December 31, 2011;
- (4) our Current Reports on Form 8-K filed with the SEC on January 27, 2012, February 15, 2012, March 14, 2012, May 9, 2012 and August 27, 2012, which supersedes Items 1, 2, 7, 8, and 9A, as well as the Report of Independent Registered Public Accounting Firm of our Annual Report on Form 10-K for the fiscal year ended December 31, 2011; and
- (4) any of our future filings with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, or the Exchange Act, until our offering is completed; provided that this prospectus supplement will not incorporate any information that we may furnish to the SEC under Item 2.02 or Item 7.01 of Form 8-K.

Any statement contained in this prospectus supplement or in a document incorporated or deemed to be incorporated by reference into this prospectus supplement will be deemed to be modified or

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superseded for purposes of this prospectus supplement to the extent that a statement contained in this prospectus supplement or any other subsequently filed document that is deemed to be incorporated by reference into this prospectus supplement modifies or supersedes the statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement.

You can obtain copies of the documents incorporated by reference in this prospectus supplement without charge through our website ([www.directv.com](http://www.directv.com)), or by requesting them in writing or by telephone at the following addresses:

DIRECTV  
2230 East Imperial Highway  
El Segundo, CA 90245  
Attn: Investor Relations

**MARKET DATA**

In this prospectus supplement, we rely on and refer to information regarding market data obtained from internal surveys, market research, publicly available information and industry publications. Although we believe the information is reliable, we cannot guarantee the accuracy or completeness of the information and have not independently verified it.

**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus supplement and documents incorporated by reference herein and in other materials we have filed or may file with the SEC, contain or may contain certain statements that we believe are, or may be considered to be, "forward-looking statements" within the meaning of various provisions of the Securities Act and of the Exchange Act. These forward-looking statements generally can be identified by use of statements that include phrases such as we "believe," "expect," "estimate," "anticipate," "intend," "plan," "foresee," "project" or other similar references to future periods. Examples of forward-looking statements include, but are not limited to, statements we make related to our business strategy and regarding our outlook for 2012 financial results, liquidity and capital resources.

Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. We caution you therefore against relying on any of these forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements include economic, business, competitive, national or global political, market and regulatory conditions and other risks, each of which is described in more detail under "Risk Factors" in this prospectus supplement. Any forward looking statement included or incorporated by reference in this prospectus supplement speaks only as of the date of this prospectus supplement. Factors or events that could cause our actual results to differ may occur and it is not possible for us to predict them all. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law. You should read carefully the section of this prospectus supplement under the heading "Risk Factors" beginning on page S-21.

We own or have rights to use various copyrights, trademarks, service marks and trade names used in our business. These include the United States registered marks DIRECTV, DIRECTV Cinema and the DIRECTV Cyclone Design. This prospectus supplement also includes copyrights, trademarks, service marks and trade names of other companies which are the property of their respective holders.

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**SUMMARY**

**The Company**

*In this prospectus supplement, "DIRECTV Holdings," and "DIRECTV U.S." refer to DIRECTV Holdings LLC and its subsidiaries, unless otherwise indicated or the context otherwise requires. DIRECTV Holdings is a wholly-owned subsidiary of The DIRECTV Group, Inc., which we sometimes refer to as "DIRECTV Group" which, in turn, is a wholly-owned subsidiary of DIRECTV, which we sometimes refer to as "DIRECTV" or "Parent." DIRECTV Holdings consists of DIRECTV, LLC and its wholly-owned subsidiaries, DIRECTV Enterprises, LLC and DIRECTV Financing Co., Inc., which we sometimes refer to as "DIRECTV Financing." References to the "issuers" are to DIRECTV Holdings and DIRECTV Financing. References to "we," "us" and "our" are to DIRECTV and its consolidated subsidiaries, including DIRECTV Holdings and DIRECTV Financing. This is only a summary and does not contain all of the information that may be important to you. You should read the entire prospectus supplement, including the section entitled "Risk Factors" and you should read the documents incorporated by reference into this prospectus supplement, including "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes contained in our Annual Report on Form 10-K for the year ended December 31, 2011 filed with the SEC, as amended by our Current Report on Form 8-K, filed with the SEC on August 27, 2012, which we refer to as our "Form 10-K," before making an investment decision.*

We are a leading provider of digital television entertainment in the United States and Latin America. We operate two direct-to-home, or DTH, business units: DIRECTV U.S. and DIRECTV Latin America, which are differentiated by their geographic location and are engaged in acquiring, promoting, selling and distributing digital entertainment programming primarily via satellite to residential and commercial subscribers. In addition, since November 19, 2009, we own and operate three regional sports networks and own a 60% interest in Game Show Network, LLC, a basic cable television network dedicated to game-related programming and Internet interactive game playing.

**DIRECTV U.S.** DIRECTV Holdings and its subsidiaries, which we refer to as DIRECTV U.S., is the largest provider of DTH digital television services and the second largest provider in the multi-channel video programming distribution, or MVPD, industry in the United States. As of June 30, 2012, DIRECTV U.S. had approximately 19.9 million subscribers.

**DIRECTV Latin America.** DIRECTV Latin America Holdings, Inc. and its subsidiaries, or DIRECTV Latin America, is the leading provider of DTH digital television services throughout Latin America. DIRECTV Latin America is comprised of: PanAmericana, which provides services in Argentina, Chile, Colombia, Ecuador, Puerto Rico, Venezuela and certain other countries in the region, and Sky Brasil Servicos Ltda., or Sky Brasil; which is a 93% owned subsidiary. DIRECTV Latin America also includes our 41% equity method investment in Innova, S. de R.L. de C.V., or Sky Mexico. As of June 30, 2012, PanAmericana had approximately 4.6 million subscribers, Sky Brasil had approximately 4.5 million subscribers and Sky Mexico had approximately 4.6 million subscribers.

**DIRECTV Sports Networks.** DIRECTV Sports Networks LLC and its subsidiaries, or DSN, is comprised primarily of three regional sports television networks based in Seattle, Washington; Denver, Colorado and Pittsburgh, Pennsylvania, each of which operates under the brand name ROOT SPORTS. The operating results of DSN beginning November 19, 2009 are reported as part of the "Sports Networks, Eliminations and Other" reporting segment.

Our vision is to make DIRECTV the best video experience anytime and anywhere for customers in both the United States and Latin America. Our primary strategy for achieving this vision is to combine unique and compelling content along with technological innovation and industry-leading customer service to make DIRECTV the clear choice among consumers throughout the Americas. We

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believe that the successful implementation of this operating strategy along with the return of excess cash to stockholders will create significant stockholder value over the long term.

**DIRECTV U.S.**

Through DIRECTV U.S., we provide approximately 19.9 million subscribers with access to hundreds of channels of digital-quality video entertainment and CD-quality audio programming that we transmit directly to subscribers' homes or businesses via high-powered geosynchronous satellites. We also provide video-on-demand, or VOD, by "pushing" top-rated movies onto customers' digital video recorders, or DVRs, for instant viewing, as well as via broadband to our subscribers who have connected their set-top receiver to their broadband service.

We believe we provide one of the most extensive collections of programming available in the MVPD industry, including over 170 national high-definition, or HD, television channels and three dedicated 3D channels. In addition, we offer VOD service, named DIRECTV CINEMA , which provides a selection of approximately 8,000 movie and television programs to our broadband-connected subscribers. As of June 30, 2012, we provided local channel coverage in HD to markets covering over 97% of U.S. television households. In addition, we provided local channel coverage to markets representing approximately 99% of U.S. television households.

We also provide premium professional and collegiate sports programming such as the NFL SUNDAY TICKET package, which allows subscribers to view the largest selection of NFL games available each Sunday during the regular season. Under our contract with the NFL, we have exclusive rights to provide this service through the 2014 season, including rights to provide related broadband, HD, VOD, interactive and mobile services.

To subscribe to the DIRECTV® service, subscribers sign up for our service through us, our national retailers, independent satellite television retailers or dealers, or regional telephone companies, which we refer to as telcos. We or one of our home service providers or dealers install the receiving equipment. The receiving equipment, which we refer to as a DIRECTV® System, consists of a small receiving satellite dish antenna, one or more digital set-top receivers, which are typically leased to the subscriber, and remote controls. After acquiring and installing a DIRECTV System, subscribers activate the DIRECTV service by contacting us and subscribing to one of our programming packages.

**Key strengths**

Our DIRECTV U.S. business is characterized by the following key strengths:

large subscriber base;

leading brand name;

substantial channel capacity and programming content;

high-quality digital picture and sound, including HD and 3D programming;

sales and marketing;

technology;

strong customer satisfaction;

valuable orbital slots and satellite-based technology; and



strong balance sheet.

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**Business strategy**

Our vision is to provide customers with the best video experience in the United States both inside and outside of the home by offering subscribers unique, differentiated and compelling programming through leadership in content, technology and customer service. Our strategy involves (1) strengthening our core business, (2) delivering the best "anytime, anywhere" experience, both inside and outside of the home, (3) building new revenue streams and (4) enhancing productivity.

***Strengthen the Core Business.*** To fulfill our goals, we believe we have to strengthen our core business in several key areas including (1) delighting our customers in all our service interactions, (2) enhancing customer targeting and segmentation and (3) strengthening our bundled offers and capabilities.

*Delight Our Customers in All Service Interactions; Improve our Loyalty and Retention Programs.* Due in part to higher costs to acquire new subscribers in an increasingly mature industry, it is even more important to strengthen and customize our service experience with a focus on delighting all of our customers as we strive to reduce churn and maintain strong margins. We believe an important part of this strategy is to increase customer satisfaction through all service interactions including the initial installation and any subsequent communications, service or upgrade transactions. Another important part of our strategy is to improve our loyalty and retention programs, particularly for our most tenured and valuable customers.

*Enhance Customer Targeting.* As the market for video services becomes increasingly competitive, it is important that we have a better understanding of and focus on our new and existing customers' needs and desires. We will use segmentation analysis to better target these customers based on demographic, geographic and customer information to more profitably and effectively provide our customers with the products and services they desire.

*Strengthen Our Bundled Offers and Capabilities.* Bundled video, telephone and broadband services continue to grow in popularity as consumers look for ways to reduce costs in a challenging economy. Currently we have agreements with most of the major telco companies nationwide to offer digital subscriber line, or DSL, and fiber bundles which include the DIRECTV service. In 2011, we began the implementation of an integrated broadband ordering tool that enables us to offer our DSL and fiber bundles through a more seamless process. We believe it is important that we continue to work closely with broadband providers to further streamline the bundle process, offer broadband services with higher speeds and improve joint marketing efforts so that a greater percentage of our customers can enjoy the benefits of a bundle.

***Deliver the Best "Anytime, Anywhere" Experience Both Inside and Outside of the Home.*** To provide the best video experience both inside and outside of the home, we will be focusing on (1) enhancing our Whole-Home DVR and time-shifting capabilities, (2) connecting our subscribers' set-top receivers to broadband service, (3) expanding the availability of our new user interface to support multi-screen applications and services, (4) enhancing our entertainment portal and (5) providing portable access to DVR content.

*Enhance Whole-Home DVR and Time-Shifting Capabilities.* We believe that consumers are looking for more features and functionality in their TV viewing, particularly in terms of place and time shifting. For this reason, in 2011 we introduced the "Home Media Center," a premium high definition whole home digital video recorder service with a terabyte hard drive that allows consumers to record five simultaneous programs. In 2012, we expect to expand the availability of our Home Media Center and will



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integrate RVU capable set-top receivers for customers to view and control content from the Home Media Center to other rooms in the house. RVU allows the television viewer to watch live or recorded programs on manufacturer's branded televisions or other devices while experiencing a consistent user interface no matter which device is being used. In addition, we plan on continuing to expand our time and place shifting capabilities with new services including the expansion of our pay-per-view and VOD movie offerings, as well as providing the ability for customers to retrieve content that was broadcast at a previous time.

*Connect Customer HD-DVRs to the Internet.* Connecting our customers' receivers to broadband service is strategically important because it greatly enhances the video experience while facilitating access of DIRECTV programming services on mobile devices. For example, a connected receiver provides our customers with the ability to (1) access thousands of additional movies and shows including the ability to search and watch web-based videos on YouTube®, (2) stream live DIRECTV programming on their iPad® anywhere in their home, (3) engage interactive "TV Apps" that provide real-time information such as favorite sports teams, local traffic or weather reports as well as a connection that enables customers to interact with friends on their Twitter® or Facebook® account via their television or portable devices and (4) use the Pandora® audio service. In the future, we will increase the recorded and live streaming content offerings available through broadband-connected receivers and provide access to more applications and features, such as video conferencing.

*Expand the Availability of Our New User Interface to Support Multi-Screen Applications and Services.* Providing our customers with a consistent user experience as they access their subscription TV content on any device inside or outside of the home is strategically important. Therefore in 2011, we introduced a new user interface, or UI, and guide to our customers as well as developed applications with a similar look and feel for mobile devices and tablets. This new HD UI is significantly faster than our previous UI and is displayed in a crisp, easy-to-read HD format using more graphical poster art, providing our customers with a friendly and fun way to navigate through hundreds of channels. In addition, this UI incorporates our industry-leading Smart Search capabilities as well as improved discovery and personalization features. We plan on continuing to expand the availability of the new HD UI to the majority of our customers leasing HD products during 2012. We are also continuing to develop applications for mobile devices and tablets so that our customers will enjoy many DIRECTV features and functionalities both inside and outside of the home.

*Enhance our Entertainment Portal.* Enhancing the accessibility of subscription TV content on any device inside and outside of the home is strategically important because it augments our customers' video experiences while meeting their desire to view content when and where they want it most. MyDIRECTV, our web-based entertainment portal that offers our customers an easy-to-use platform to explore, search and record all of their favorite shows, introduced consumers to video streaming in 2011. Today, customers with premium subscriptions are able to stream authorized content through offerings such as HBO GO and MAX GO. In 2012, customers will be able to access pay-per-view, premium and VOD programming from MyDIRECTV on their laptop, tablet, smartphone or computer. In addition, we will provide video streaming capabilities of authorized cable and broadcast network content to our customers.

*Provide Portable Access to DVR Content.* We believe many of our customers increasingly desire the ability to take content with them, due in part to the growing popularity of smart phones and tablets. For this reason, in 2011, we introduced "Nomad," a service

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that enables customers to download content stored on their HD-DVR and view it remotely. In the future, we expect to enhance the Nomad service by introducing the ability to stream HD-DVR content to mobile devices inside and outside of the home.

**Create New Revenue Platforms.** In order to continue growing DIRECTV revenues while maintaining strong profit margins, a key strategic objective is to capture incremental revenue streams in key areas including (1) DIRECTV Cinema, (2) addressable and local advertising and (3) the commercial property market.

*Enhance DIRECTV Cinema.* We believe we have a significant opportunity to generate incremental VOD revenues mostly by expanding our VOD library and making it easier for customers to watch movies and shows. In 2011, we continued to make great strides toward this goal by "pushing" top-rated movies, including many available on the same day of the DVD release, onto customers DVRs for instant viewing and by expanding our enhanced movie service called DIRECTV CINEMA to provide most of our customers with access to significantly more movies than before. For example, for those customers with HD-DVRs connected to a broadband service, we now offer approximately 8,000 movie and television titles, and we expect to continue adding more titles in 2012. Looking forward, DIRECTV Cinema enhancements will include further expansion of our video library as well as increased availability of VOD and premium movies that can be accessed from laptops, tablets, smartphones or computers.

*Launch Addressable and Local Advertising.* Our advertising revenue per subscriber trails many of our competitors. This is because, unlike the cable industry, we have not had the ability to target advertising at the local level due to the nature of our national satellite infrastructure. Using new technology, we now have the capability to insert advertising into individual DVRs to enable advertisers to target customers in local regions and eventually in the individual home. With this new technology, we expect to significantly increase our advertising revenues over the coming years.

*Deliver New Products Focused on Priority Commercial Segments.* Based on our extremely low market penetration rates, we believe commercial properties represent another growth opportunity for DIRECTV. For example, although historically we have competed effectively in the higher-end hotel market, we expect that in the coming years, hotels will be upgrading their television service from standard definition to HD which will present us with opportunities for growth. In the future, we will introduce new features, applications and package enhancements that will provide an integrated residential television experience for our hotel customers to offer to their patrons. We also currently have low market share in the private businesses and smaller bars and restaurants segments and we intend to grow our share in these markets with new technologies such as our "Message Board" or digital signage product, as well as from improved management, targeting, billing, pricing and packaging.

**Enhance Productivity and Manage Costs.** Improving our productivity is a critical element of our goal to maintain strong margins particularly given rising programming costs and the competitive nature of our industry. In particular, we plan to focus our efforts on effectively managing our programming costs and capturing enterprise-wide productivity improvements.

*Strategically Manage Programming Cost Growth.* Programming costs are DIRECTV's largest expense and as a result, we must manage these costs as effectively as possible particularly considering that we expect programming costs to increase at a faster rate in the future than in prior years primarily due to higher sports costs (including the NFL SUNDAY TICKET) and higher retransmission fees for the carriage of local channels. In addition, due to competitive pressures, there is a risk that we will be unable to pass



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such increases through to our subscribers. Our strategy for minimizing this rate of cost growth is to:

Leverage our size, growth and attractive subscriber demographics to attain competitive terms and conditions.

More closely align a channel's ratings with the costs we pay.

Obtain rights for new value-added video services such as rights to offer our customers 3D, mobile and streaming services.

Package channels to better align the programming that our customers want to watch with what they are willing to pay for.

Secure greater flexibility regarding tiering and packaging of content and/or channels.

Discontinue carrying less popular channels if we are unable to negotiate fair terms and conditions.

*Capture Enterprise-Wide Productivity Improvements.* Our objective is to deliver the best video experience at the lowest possible cost. Our goal is to manage our costs and in particular to capture productivity improvements which will not only reduce costs, but also improve call center performance, field operations such as installations and repairs, retention and customer satisfaction.

**DIRECTV Latin America**

DIRECTV Latin America is the leading provider of DTH digital television services throughout Latin America and the Caribbean, which includes Puerto Rico. DIRECTV Latin America provides a wide selection of local and international digital-quality video entertainment and CD-quality audio programming under the DIRECTV and SKY brands to approximately 4.6 million subscribers in PanAmericana and approximately 4.5 million subscribers in Brazil. Our affiliate, Sky Mexico, has approximately 4.6 million subscribers. Including Sky Mexico, DIRECTV and SKY provide service to over 13.7 million subscribers throughout the region.

We own 100% of PanAmericana, which operates principally in South America and the Caribbean, including Puerto Rico, 93% of Sky Brasil, which operates in Brazil, and 41% of Sky Mexico, which operates in Mexico, certain countries in Central America and the Dominican Republic. Globo Comunicações e Participações S.A., or Globo, owns the other 7% of Sky Brasil and Grupo Televisa, S.A., or Televisa, owns the other 59% of Sky Mexico. The results of PanAmericana and Sky Brasil are consolidated in our results, and we account for our interest in Sky Mexico under the equity method of accounting.

We believe we provide one of the most extensive collections of programming available in the Latin America pay television market, including HD sports video content and the most innovative interactive technology across the region. In addition, we have the unique ability to sell superior offerings of our differentiated products and services on a continent-wide basis at a lower cost compared to our competition. As of December 31, 2011, we provided service to approximately 22% of pay television households in PanAmericana, 30% of pay television households in Brazil and 32% of pay television households in Mexico.

To subscribe to the DIRECTV or SKY service, customers sign up for our video service through us, our regional retailers, or independent satellite television retailers or dealers. We tailor our offers and products to profitably and effectively provide our service to various customer segments across the region that have the need and desire for our brand and service. We offer post-paid products and services to customers who meet our standard requirements. For these customers, dealers or one of our





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home service providers install the receiving equipment. The receiving equipment consists of a small receiving satellite dish antenna, one or more digital set-top receivers, which are typically leased to the subscriber, and remote controls. In addition, we offer prepaid service for customers that desire payment and commitment flexibility. These customers may purchase a standard definition box and antenna at a regional retailer and pre-pay their DIRECTV service typically through one or more means, such as the purchase of a rechargeable card that they can acquire at the retailer or local kiosk. The video service will automatically disconnect once the credit on the card runs out.

**Key strengths**

Our DIRECTV Latin America business is characterized by the following key strengths:

large subscriber base and pan-regional scale of service;

leading brands;

relationship with DIRECTV U.S.;

high quality digital picture and sound;

sales and marketing; and

strong customer satisfaction.

**Business strategy**

Our vision is to provide customers across Latin America with the best video experience by leveraging DIRECTV Latin America's key strengths while continuing to distinguish our service from our competitors by offering subscribers unique, differentiated and compelling programming through leadership in content, technology, customer service and targeted marketing strategies. Our strategy involves (1) expanding our leadership position across all demographic segments, (2) offering unique features and functionality, (3) enhancing productivity and (4) leveraging DIRECTV Latin America's brands and customer base to introduce complementary services.

***Expand Leadership Position.*** To achieve our goals, we believe we have to expand our leadership position in several key areas including (1) increasing DVR penetration in the higher end markets, (2) strengthening our leadership position in high-definition and (3) penetrating the rapidly growing middle market segment.

***Increase DVR Penetration.*** We believe that consumers at the higher end of the market are looking for more features and functionality in their TV viewing, particularly in terms of place and time shifting. From 2010 to 2011, we leveraged our relationship with DIRECTV U.S. to obtain high quality DVRs that are more functional and less costly than those of our competitors to distinguish our service from the competition. In most countries in which we operate, our competitors either do not offer DVRs or make them available on terms that have significantly limited their penetration. At June 30, 2012, approximately 28% of our subscribers had advanced products.

***Strengthen Leadership Position in HD.*** Although we expect that the HD content offerings will be more limited in Latin America than in the United States for the next several years and the uptake of HD services in Latin America will be much slower than in the United States, we believe that establishing our leadership position in HD provides us with a significant competitive advantage across market segments that are expected to experience continued growth. As of June 30, 2012, Sky Brasil offered its customers over 40 HD channels and PanAmericana offered its customers on average 13 HD channels. We believe that we currently have the largest HD channel offering in Brazil and are looking to expand that



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lead, as well as establish leadership in PanAmericana by increasing the capacity of our current satellite servicing the region. In addition, we expect to extend our advantage with the anticipated launch of our new leased satellites starting in 2014.

*Penetrate Middle Market Segment.* Based on extremely low pay television penetration rates and favorable economic and demographic trends in the region, we believe the rapidly growing middle market continues to represent a significant opportunity for growth. In 2011, we tailored our offers and products to profitably and effectively provide our service to value-focused customers who had the need and desire for affordable access to our brands and service. Typically, these offers and products are similar to our traditional ones except they allow customers access to significantly fewer channels and limit the number of set-top receivers customers may have in their homes. We plan on continuing to serve the value-focused customers through targeted marketing and distribution strategies, as well as leveraging our relationship with DIRECTV U.S. to obtain lower cost set-top receivers.

***Offer Unique Features and Functionality.*** To strengthen our brand and leadership position, we will be focusing on (1) offering unique content and (2) enhancing our programming features.

*Offer Unique Content.* We believe that we can enhance our brand and leverage our greater scale to offer unique and compelling content to subscribers. For example, in many of the territories in which we operate we were the only provider of television services where subscribers could see all of the 2010 FIFA World Cup games, and we were the only operator distributing all of the games in HD. In some countries, we held exclusive rights to 2010 FIFA World Cup games. Similarly, Sky Brasil, PanAmericana and Sky Mexico have licensed exclusive and non-exclusive rights through the 2015 season to the Spanish soccer league, which in most countries is the second most popular soccer league behind the local country leagues.

*Enhance Programming Features.* We believe that we can also differentiate our service from that of our competitors through the use of enhanced features such as interactivity. For example, we first offered interactive services for soccer matches from the 2006 FIFA World Cup and provided similar features for the 2010 FIFA World Cup. We have offered similar interactive services for the U.S. Open and Major League Baseball®.

***Enhance Productivity and Manage Costs.*** Improving productivity is a critical element of our goal to maintain strong margins particularly given the rapid growth of our subscriber base and regional scale of our operations. In particular, we plan to focus our efforts on productivity improvements. For example, we expect to utilize technology to implement process improvements in our call centers and other areas, such as upgrading our billing systems. We will also continue leveraging best practices from DIRECTV U.S. We expect initiatives like these to enhance operations across the various countries and regions where we offer service under the DIRECTV and SKY brands.

***Leverage Brand and Customer Base to Introduce Complementary Services.*** To expand our leadership in particular markets we are testing potential growth opportunities that could optimize the profitability of our subscriber base, minimize churn and extend the value of our brand. We will further explore (1) offering a fixed wireless broadband service and (2) extending our presence by establishing an over-the-top, or OTT distribution platform.

*Offer Fixed Wireless Broadband.* Connecting our customers to a broadband service is strategically important because we expect it will minimize churn and attract new subscribers. We are focused on selectively pursuing opportunities to acquire spectrum and, were we to do so, on introducing fixed wireless broadband in areas where our existing subscriber base has a weak wireline offering or access to broadband is nonexistent. In 2010, we launched a



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test of fixed wireless service in Mendoza, Argentina. In addition, during 2011, we deployed a fixed wireless service in Brasilia, the capital of Brazil, and provided a bundle option with our SKY video service. In the future, we plan on expanding our fixed wireless service to several new cities in Brazil with similar bundling capabilities.

*Establish OTT Distribution Platform.* Extending our premium video experience to our customers who desire content that can be accessed on demand is strategically important as the penetration of pay television households with Internet access increases across the region. Given the strength of our brands, the scale of our subscriber base and our strong relationships with programmers and distributors, in the future, we believe we can complement our traditional video subscription service by establishing a premium OTT distribution platform in the region.

**Recent developments**

***Senior revolving credit facility***

We are seeking to amend DIRECTV Holdings' existing \$2.0 billion senior revolving credit facility, which matures in February 2016, to a (i) \$1.0 billion senior revolving credit facility maturing in February 2016 and (ii) \$1.5 billion senior revolving credit facility maturing five years from closing. We cannot assure you that the requisite lenders under the senior revolving credit facility will agree to these amendments. The amendments to the senior revolving credit facility and the offering of the notes are not subject to or conditioned upon each other. See "Description of Other Indebtedness" for a description of the senior revolving credit facility.

**Our executive offices**

Our principal executive offices are located at 2230 East Imperial Highway, El Segundo, California 90245, and our telephone number at that address is (310) 964-5000. Our web site is located at [www.directv.com](http://www.directv.com). The information on our web site is not incorporated into this prospectus supplement or the accompanying prospectus.

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**The Offering**

The following summary contains basic information about the notes and is not intended to be complete. It does not contain all the information that is important to you. For a more complete understanding of the notes, please refer to the section of this prospectus supplement entitled "Description of Notes." As used in this summary of the offering, the terms "DIRECTV Holdings" refers only to DIRECTV Holdings LLC and not to any of its subsidiaries, the term "co-issuer" refers to DIRECTV Financing Co., Inc and the term "issuers" refers to both DIRECTV Holdings and the co-issuer.

<b>Issuers</b>	DIRECTV Holdings LLC and DIRECTV Financing Co., Inc.
<b>Issue date</b>	The issue date is expected to be on or about September 14, 2012.
<b>Securities offered</b>	£750,000,000 in aggregate principal amount of 4.375% Senior Notes due 2029.
<b>Maturity date</b>	September 14, 2029.
<b>Interest payment dates</b>	September 14 of each year, beginning on September 14, 2013. Interest will accrue from September 14, 2012.
<b>Currency of payment</b>	All payments of interest and principal, including any payments made upon any redemption of the notes, will be made in Sterling, or, if the United Kingdom adopts euro as its lawful currency, in euro. If Sterling or, in the event the notes are redenominated into euro, euro is unavailable to us due to the imposition of exchange controls or other circumstances beyond our control, then all payments in respect of the notes will be made in U.S. dollars until Sterling or euro, as the case may be, is again available to us or so used.
<b>Denomination</b>	We will issue the notes in minimum denominations of £100,000 and in multiples of £1,000 in excess thereof.
<b>Guarantees</b>	The notes will be guaranteed by DIRECTV and each of DIRECTV Holdings' material existing and certain of its future domestic subsidiaries (other than the co-issuer) on a senior unsecured basis. The notes will not be guaranteed by any other consolidated subsidiary of DIRECTV, including any consolidated subsidiary of DIRECTV that owns assets and operations of DIRECTV Latin America. The notes will cease to be guaranteed by any guarantor that guarantees the notes (other than DIRECTV) if such guarantor is released from guaranteeing DIRECTV Holdings' senior revolving credit facility and the Existing Notes (as defined below). The notes will cease to be guaranteed by DIRECTV if DIRECTV Holdings ceases for any reason to be a "wholly owned subsidiary" (as such term is defined in Rule 1-02(aa) of Regulation S-X promulgated by the SEC) of DIRECTV.

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**Ranking**

The notes will be the issuers' unsecured senior obligations and will:

rank equally with all of the issuers' existing and future senior indebtedness, including the issuers' existing 4.750% Senior Notes due 2014 (the "2014 Notes"), the 3.550% Senior Notes due 2015 (the "2015 Notes"), the 3.125% Senior Notes due 2016 (the "2016 Notes"), the 3.500% Senior Notes due 2016 (the "3.500% 2016 Notes"), the 2.400% Senior Notes due 2017 (the "2017 Notes"), the 5.875% Senior Notes due 2019 (the "2019 Notes"), the 5.200% Senior Notes due 2020 (the "2020 Notes"), the 4.600% Senior Notes due 2021 (the "2021 Notes"), the 5.000% Senior Notes due 2021 (the "5.000% 2021 Notes"), the 3.800% Senior Notes due 2022 (the "2022 Notes"), the 6.350% Senior Notes due 2040 (the "2040 Notes"), the 6.000% Senior Notes due 2040 (the "6.000% 2040 Notes"), the 6.375% Senior Notes due 2041 (the "2041 Notes") and the 5.150% Senior Notes due 2042 (the "2042 Notes," and together with the 2014 Notes, the 2015 Notes, the 2016 Notes, the 3.500% 2016 Notes, the 2017 Notes, the 2019 Notes, the 2020 Notes, the 2021 Notes, the 5.000% 2021 Notes, the 2022 Notes, the 2040 Notes, the 6.000% 2040 Notes and the 2041 Notes, the "Existing Notes") and DIRECTV Holdings' senior revolving credit facility;

rank senior to all of the issuers' future subordinated indebtedness, if any;

be effectively subordinated to all of the issuers' existing and future secured obligations to the extent of the value of the assets securing such obligations; and

be effectively subordinated to all indebtedness of DIRECTV's non-guarantor subsidiaries. Similarly, the guarantees of DIRECTV and DIRECTV Holdings' material subsidiaries will:

rank equally with all of the existing and future senior indebtedness of such guarantors, including the guarantees under the Existing Notes and DIRECTV Holdings' senior revolving credit facility;

rank senior to all future subordinated indebtedness of such guarantor, if any; and

be effectively subordinated to all existing and future secured obligations of such guarantors to the extent of the value of the assets securing such obligations.

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	<p>DIRECTV, the issuers and the issuers' subsidiaries have no outstanding senior secured indebtedness. For the six months ended June 30, 2012, after giving effect to the offering and the net proceeds therefrom, DIRECTV's consolidated subsidiaries that will not be subsidiary guarantors of the notes (other than DIRECTV Holdings and the co-issuer as issuers of the notes) had revenues of \$3,166 million and operating profit of \$481 million, and as of June 30, 2012, excluding intercompany assets and liabilities, those subsidiaries had total assets of \$7,372 million and total liabilities of \$2,813 million.</p>
<b>Optional redemption</b>	<p>The issuers may redeem some or all of the notes at their option at a redemption price equal to the greater of the principal amount of the notes and the "make whole" price described under "Description of Notes Optional redemption."</p>
<b>Change of control</b>	<p>If DIRECTV Holdings experiences specific kinds of changes of control accompanied by a Ratings Decline (as defined under "Description of Notes Certain definitions"), the issuers will be required to make an offer to purchase the notes at a purchase price of 101% of the principal amount thereof, plus accrued but unpaid interest to the purchase date. See "Description of Notes Change of control and rating decline."</p>
<b>Certain covenants</b>	<p>The indenture governing the notes will restrict DIRECTV Holdings' ability and the ability of DIRECTV Holdings' subsidiaries to, among other things:</p> <p>create certain liens;</p> <p>engage in certain sale leaseback transactions; and</p> <p>merge, consolidate or sell substantially all of our assets.</p>
<b>Redemption for tax reasons</b>	<p>These covenants are subject to important exceptions and qualifications described under the heading "Description of Notes." Parent and subsidiaries of Parent that are not subsidiaries of DIRECTV Holdings are not subject to the restrictions contained in these covenants.</p> <p>We may redeem all, but not less than all, of the notes in the event of certain changes in the tax law of the United States (or any taxing authority in the United States). This redemption would be at a redemption price equal to 100% of the principal amount, together with accrued and unpaid interest on the notes to, but not including, the date fixed for redemption. See "Description of the Notes Redemption for tax reasons."</p>
<b>Use of proceeds</b>	<p>The net proceeds from this offering will be used for general corporate purposes, which may include a distribution to DIRECTV for its share repurchase plan and other corporate purposes. See "Use of Proceeds."</p>



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<b>Additional notes issuances</b>	The issuers may from time to time without the consent of the holders of the notes create and issue additional notes of the same series as the notes offered hereby. See "Description of Notes."
<b>Listing</b>	We intend to apply to list the notes on the New York Stock Exchange.
<b>Trustee</b>	The Bank of New York Mellon Trust Company, N.A.
<b>Paying agent</b>	The Bank of New York Mellon, London Branch
<b>Book-entry</b>	The notes will be issued in book-entry form and will be represented by global notes deposited with, or on behalf of, a common depository on behalf of Clearstream Banking, <i>société anonyme</i> , Luxembourg ("Clearstream") and Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear") and registered in the name of the common depository or its nominee. Beneficial interests in any of the notes will be shown on, and transfers will be effected only through, records maintained by Clearstream and Euroclear and their participants, and these beneficial interests may not be exchanged for certificated notes, except in limited circumstances. See "Description of Notes Book-Entry Delivery and Settlement."
<b>Risk factors</b>	See "Risk Factors" for a discussion of certain factors that you should carefully consider before investing in the notes.
<b>Governing law</b>	New York.

Table of Contents**Summary historical consolidated financial and other data**

*You should read the following financial information together with the information under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the notes to the consolidated financial statements in our Form 10-K, which are incorporated by reference into this prospectus supplement.*

The following tables present our summary consolidated statements of operations and other data for the years ended December 31, 2009, 2010 and 2011 and the six months ended June 30, 2011 and 2012 and our consolidated balance sheet data as of June 30, 2012. The consolidated statements of operations data for the years ended December 31, 2009, 2010 and 2011 and the six months ended June 30, 2011 and 2012 and the consolidated balance sheet data as of June 30, 2012 have been derived from our audited and unaudited consolidated financial statements incorporated by reference in this prospectus supplement. The summary "As adjusted" balance sheet data is unaudited and is based on certain assumptions and adjustments and does not purport to present what our actual financial position would have been had the transactions and events reflected by them in fact occurred on the date specified.

Pursuant to Rule 3-10 of Regulation S-X promulgated by the SEC, we do not include separate financial statements for DIRECTV Holdings, DIRECTV Financing or any of the subsidiary guarantors in our periodic Exchange Act filings. We do include condensed consolidating financial information in our periodic Exchange Act filings that presents information for DIRECTV (on a stand-alone basis); DIRECTV Holdings, DIRECTV Financing and the subsidiary guarantors; and other subsidiaries of DIRECTV that are not guarantors see Note 22 to our audited consolidated financial statements for the year ended December 31, 2011 in our Form 8-K filed on August 27, 2012 and incorporated by reference herein and Note 11 to our unaudited consolidated financial statements for the quarter ended June 30, 2012 in our Form 10-Q incorporated by reference herein.

(Dollars in millions)	Years ended December 31,			Six months ended	
	2009	2010	2011	2011	2012
<b>Consolidated Statements of Operations Data:</b>					
Revenues	\$ 21,565	\$ 24,102	\$ 27,226	\$ 12,919	\$ 14,270
Total operating costs and expenses	18,892	20,206	22,597	10,534	11,551
Operating profit	2,673	3,896	4,629	2,385	2,719
Net income	1,007	2,312	2,636	1,392	1,457
<b>Other Data:</b>					
Net cash provided by operating activities	4,431	5,206	5,185	2,404	3,024
Net cash used in investing activities	(2,194)	(3,099)	(3,022)	(1,200)	(1,575)
Net cash used in financing activities	(1,637)	(3,210)	(2,792)	(178)	(190)
Depreciation and amortization expense	2,640	2,482	2,349	1,227	1,193
Capital expenditures	2,071	2,416	3,170	762	764
Subscriber acquisition costs	2,773	3,005	3,390	1,562	1,605
Operating profit before depreciation and amortization(1)	5,313	6,378	6,978	3,612	3,912
DIRECTV U.S. operating profit before depreciation and amortization(1)	4,685	5,216	5,289	2,809	2,995

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(Dollars in millions)	As of June 30, 2012 Actual	As of June 30, 2012 As adjusted <sup>2</sup>
<b>Consolidated Balance Sheet Data:</b>		
Cash and cash equivalents	\$ 2,132	\$ 3,316
Total current assets	5,248	6,433
Total assets	19,632	20,826
Total current liabilities	4,728	4,728
Long-term debt	15,962	17,156
Total stockholders' deficit	(4,310)	(4,310)

(Dollars in millions)	Six months ended June 30, 2012 Actual	Six months ended June 30, 2012 As adjusted <sup>2</sup>
<b>Financial Ratio:</b>		
Long-term-debt, including current portion to OPBDA	2.19x	2.36x
DIRECTV U.S. long-term-debt, including current portion to OPBDA	2.92x	3.13x

**DIRECTV U.S. Segment**

	Years ended December 31,			Six months ended June 30,	
	2009	2010	2011	2011	2012
<b>Subscriber Data:</b>					
Total number of subscribers at the end of period (000's) <sup>3</sup>	18,560	19,223	19,885	19,433	19,914
Average monthly revenue per subscriber (ARPU) <sup>4</sup>	\$ 85.48	\$ 89.71	\$ 93.27	\$ 89.75	\$ 93.25
Average monthly subscriber churn % <sup>5</sup>	1.53%	1.53%	1.56%	1.55%	1.48%
Average subscriber acquisition costs per subscriber (SAC) <sup>6</sup>	\$ 712	\$ 796	\$ 813	\$ 814	\$ 853
Gross subscriber additions (000's)	4,273	4,124	4,316	2,006	1,804
Net subscriber additions (000's)	939	663	662	210	29

**DIRECTV Latin America Segments<sup>7</sup>**

	Years ended December 31,			Six months ended June 30,	
	2009	2010	2011	2011	2012
<b>Subscriber Data:</b>					
Total number of subscribers at the end of period (000's) <sup>8</sup>	4,588	5,808	7,871	6,707	9,116
Average monthly revenue per subscriber (ARPU) <sup>4</sup>	\$ 57.12	\$ 57.95	\$ 62.64	\$ 63.14	\$ 58.80
Average monthly total subscriber churn % <sup>5,9</sup>	1.75%	1.77%	1.78%	1.84%	1.80%
Average monthly post paid subscriber churn % <sup>9</sup>	1.55%	1.47%	1.42%	1.44%	1.49%
Gross subscriber additions (000's)	1,575	2,318	3,510	1,588	2,153
Net subscriber additions (000's) <sup>9</sup>	692	1,220	2,063	899	1,238

1

We calculate Operating Profit Before Depreciation and Amortization (OPBDA), which is a financial measure that is not determined in accordance with accounting principles generally accepted in the United States of America, or GAAP, by adding amounts under the caption "Depreciation and amortization expense" to "Operating profit," as presented in the Consolidated Statements of Operations in our Form 10-K. This measure should be used in conjunction with

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GAAP financial measures and is not presented as an alternative measure of operating results, as determined in accordance with GAAP. Our management uses OPBDA to evaluate the operating performance of our company and to allocate resources and capital to business segments. This metric is also used as a measure of performance for incentive compensation purposes and to measure income generated from operations that could be used to fund capital expenditures, service debt or pay taxes. Depreciation and amortization expense primarily represents an allocation to current expense of the cost of historical capital expenditures and for acquired intangible assets resulting from prior business acquisitions. To compensate for the exclusion of depreciation and amortization expense from operating profit, our management and our Board of Directors separately measure and budget for capital expenditures and business acquisitions. We believe this measure is useful to investors, along with GAAP measures (such as revenues, operating profit and net income), to compare our operating performance to other communications, entertainment and media service providers. We believe that investors use current and projected OPBDA and similar measures to estimate our current or prospective enterprise value and make investment decisions. This metric provides investors with a means to compare operating results exclusive of depreciation and amortization expense. We believe this is useful given the significant variation in depreciation and amortization expense that can result from the timing of capital expenditures, the capitalization of intangible assets, potential variations in expected useful lives when compared to other companies and periodic changes to estimated useful lives.

A reconciliation of consolidated operating profit to OPBDA follows:

(Dollars in millions)	Years ended December 31,			Six months ended	
	2009	2010	2011	June 30, 2011	2012
Operating profit	\$ 2,673	\$ 3,896	\$ 4,629	\$ 2,385	\$ 2,719
Add: Depreciation and amortization expense	2,640	2,482	2,349	1,227	1,193
Operating profit before depreciation and amortization	\$ 5,313	\$ 6,378	\$ 6,978	\$ 3,612	\$ 3,912

A reconciliation of DIRECTV U.S. operating profit to OPBDA follows:

(Dollars in millions)	Years ended December 31,			Six months ended	
	2009	2010	2011	June 30, 2011	2012
Operating profit	\$ 2,410	\$ 3,290	\$ 3,702	\$ 1,937	\$ 2,254
Add: Depreciation and amortization expense	2,275	1,926	1,587	872	741
Operating profit before depreciation and amortization	\$ 4,685	\$ 5,216	\$ 5,289	\$ 2,809	\$ 2,995

2

The as adjusted balance sheet and financial ratio data as of June 30, 2012 give effect to the sale of the notes offered hereby and prior to any application of the proceeds therefrom. See "Use of Proceeds."

3

The total number of subscribers represents the total number of subscribers actively subscribing to our service, including subscribers who have suspended their account for a particular season of the year because they are temporarily away from their primary residence and, subscribers who are in the process of relocating and commercial equivalent viewing units.

4

We calculate ARPU by dividing average monthly revenues for the period (total revenues during the period divided by the number of months in the period) by the average subscribers for the period. We calculate average subscribers for the period by adding the number of subscribers as of

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the beginning of the period and for each quarter end in the current year or period and dividing by the sum of the number of quarters in the period plus one.

5

Average monthly subscriber churn represents the number of subscribers whose service is disconnected, expressed as a percentage of the average total number of subscribers. We calculate average monthly subscriber churn by dividing the average monthly number of disconnected subscribers for the period (total subscribers disconnected, net of reconnects, during the period divided by the number of months in the period) by average subscribers for the period.

6

We calculate SAC, which represents total subscriber acquisition costs stated on a per subscriber basis, by dividing total subscriber acquisition costs for a period by the number of gross new subscribers acquired during the period. We calculate total subscriber acquisition costs for the period by adding together "Subscriber acquisition costs" expensed during the period and the amount of cash paid for equipment leased to new subscribers during the period.

7

DIRECTV Latin America, as presented, includes the combined results of both the Sky Brasil and PanAmericana segments.

8

DIRECTV Latin America subscriber data exclude subscribers of the Sky Mexico platform.

9

DIRECTV Latin America net subscriber additions and churn exclude the effect of the migration of approximately 3,000 subscribers to Sky Mexico, the migration of approximately 16,000 subscribers from a local pay television service provider to Sky Brasil in 2009 and 7,000 subscribers acquired in a 2012 transaction in Brazil.

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**RISK FACTORS**

*An investment in the notes is subject to a number of risks. You should carefully consider the following factors, as well as the more detailed descriptions elsewhere in this prospectus, before making an investment in the notes. The risks described below are not the only ones facing our company. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations.*

*If any of the following events occur, our business, financial condition or results of operations could be materially and adversely affected, the value of the notes could decline and you could lose some or all of your investment.*

**Risks related to our business**

Our business, financial condition or results of operations could be materially and adversely affected by the following:

**We compete with other MVPDs, some of whom have greater resources than we do and levels of competition are increasing.**

We compete in the MVPD industry against cable television, telcos and wireless companies and other land-based and satellite-based system operators with service offerings including video, audio and interactive programming, broadband and other entertainment services and telephony service. Some of these competitors have greater financial, marketing and other resources than we do.

Some cable television operators have large, established customer bases and many cable operators have significant investments in, and access to, programming. Cable television operators have advantages relative to our U.S. operations, including or as a result of:

being the incumbent MVPD operator with an established subscriber base in the territories in which DIRECTV U.S. competes;

bundling their video service with efficient two-way high-speed Internet access or telephone service on upgraded cable systems;

having the ability to provide certain local and other programming, including HD programming, and local advertising in geographic areas where we do not currently provide local or local HD programming; and

having legacy arrangements for exclusivity in certain multiple dwelling units and planned communities.

In addition, mergers, joint ventures and alliances among wireless or private cable television operators, telcos, broadband service providers and others may result in providers capable of offering bundled television, broadband and telecommunications services in competition with our services.

We do not currently offer local channel coverage to markets covering approximately one percent of U.S. television households, which places us at a competitive disadvantage in those markets. We also have been unable to secure certain international programming, due to exclusive arrangements of programming providers with certain competitors, which has constrained our ability to compete for subscribers who wish to obtain such programming. And as discussed below, certain cable-affiliated programmers have withheld their programming from us in certain markets, which has further constrained our ability to compete for subscribers in those markets.

In the United States, various telcos and broadband service providers have deployed fiber optic lines directly to customers' homes or neighborhoods to deliver video services, which compete with the DIRECTV service. It is uncertain whether we will be able to increase our satellite capacity, offer a significant level of new services in existing markets in which we compete or expand to additional



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markets as may be necessary to compete effectively. Some of these various telcos and broadband service providers also sell the DIRECTV service as part of a bundle with their voice and data services. A new broadly-deployed network with the capability of providing video, voice and data services could present a significant competitive challenge and, in the case of the telcos currently selling the DIRECTV service, could result in such companies focusing less effort and resources selling the DIRECTV service or declining to sell it at all. We may be unable to develop other distribution methods to make up for lost sales through the telcos.

As a result of these and other factors, we may not be able to continue to expand our subscriber base or compete effectively against cable television or other MVPD operators in the future.

**Emerging digital media competition could materially adversely affect us.**

Our business is focused on video, and we face emerging competition from other providers of digital media, some of which have greater financial, marketing and other resources than we do. In particular, programming offered over the Internet has become more prevalent as the speed and quality of broadband networks have improved. Online video distributors and providers such as Hulu, Roku, Netflix, Apple, Amazon, Blockbuster and Google, as well as gaming consoles such as Microsoft's Xbox, Sony's PS3 and Nintendo's Wii, are aggressively working to become alternative providers of video services. Such services and the growing availability of online content, coupled with an expanding market for connected devices and Internet-connected televisions, as well as wireless and other emerging mobile technologies that provide for the distribution and viewing of video programming, pose a competitive challenge to traditional MVPDs, as a number of consumers may decide to drop or reduce their traditional MVPD subscription package. Some of these services charge a nominal fee or no fee for access to their content, which could adversely affect our business.

Significant changes in consumer behavior with regard to how they obtain video entertainment and information in response to this emerging digital media competition could materially adversely affect our revenues and earnings or otherwise disrupt our business.

**We depend on others to produce programming and programming costs are increasing.**

Almost all of our programming is provided by unaffiliated third parties. Typically our programming agreements are multiple-year agreements and contain annual price increases. Upon renewal of expiring contracts, programming suppliers have historically increased the rates they charge us for programming. Often these increases are greater than the rate of inflation. We expect this practice to continue and the negotiations over such increases to become more difficult and disruptive. Programming expenses will continue to be our largest single expense item in the foreseeable future. Our industry has continued to experience an increase in the cost of programming, especially sports programming. Increases in programming costs, including retransmission costs for broadcast programming, could cause us to increase the rates that we charge our subscribers, which could in turn, especially in a difficult economic environment, cause subscribers to terminate their subscriptions or potential new subscribers to refrain from subscribing to our service. Furthermore, due to the economy and other factors, we may be unable to pass programming cost increases on to our subscribers. Alternatively, to attempt to mitigate the effect of price increases, we may refuse to carry certain channels, which could adversely affect subscriber growth or result in higher churn.

In addition, a limited number of cable-affiliated programmers have in the past denied us access to their programming. Our ability to compete successfully will depend on our ability to continue to obtain desirable programming and deliver it to our subscribers at competitive prices. We may not be able to renew these agreements on favorable terms, or at all, or these agreements may be canceled prior to expiration of their original terms. If we are unable to renew any of these agreements or the other



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parties cancel the agreements, we may not be able to obtain substitute programming, or what we obtain may not be comparable in quality or cost to our existing programming.

If we are unable to obtain rights to programming or to pass additional costs on, the potential loss of subscribers and the need to absorb some or all of the additional costs could have a material adverse effect on our earnings or cash flow.

**Increased subscriber churn or subscriber upgrade and retention costs could materially adversely affect our financial performance.**

Subscriber service cancellations, or churn, have a significant financial impact on the results of operations of any subscription television provider, as does the cost of upgrading and retaining subscribers. Any increase in our upgrade and retention costs for our existing subscribers or increased programming costs may adversely affect our financial performance or cause us to increase our subscription rates, which could increase churn. Churn may also increase due to factors beyond our control, including churn by subscribers who are unable to pay their monthly subscription fees, a slowing economy, significant signal theft, consumer fraud, a maturing subscriber base and competitive offers. Any of the risks described in this prospectus or in documents incorporated by reference into this prospectus that could potentially have a material adverse impact on our costs or service quality or that could result in higher prices for our subscribers could cause an increase in churn and consequently have a material adverse effect on our earnings and financial performance.

**Our subscriber acquisition costs could materially increase.**

We incur costs for subscribers acquired by us and through third parties. These costs are known as subscriber acquisition costs. For instance, we provide installation incentives to our retailers to offer standard professional installation as part of the subscriber's purchase or lease of a DIRECTV System. Our subscriber acquisition costs may materially increase if we offer more costly advanced equipment or services, including connecting our receivers to the customers' broadband service, continue or expand current sales promotion activities or introduce more aggressive promotions. Any material increase in subscriber acquisition costs from current levels would negatively impact our earnings and could materially adversely affect our financial performance.

**Results are impacted by the effect of, and changes in, economic conditions and weakening economic conditions may reduce subscriber spending and our rate of growth of subscriber additions and may increase subscriber churn.**

Our business may be affected by factors that are beyond our control, such as downturns in economic activity, or in the MVPD industry. Factors such as interest rates and the health of the housing market may impact our business. A substantial portion of our revenues comes from residential customers whose spending patterns may be affected by prevailing economic conditions. Our market share in multiple dwelling units such as apartment buildings is lower than that of many of our competitors. If unemployment and foreclosures of single family residences increase, our earnings and financial performance could be negatively affected more than those of our competitors. In addition, if our customers seek alternative means to obtain video entertainment, they may choose to purchase fewer services from us. Due to the economic and competitive environment, we may need to spend more, or we may provide greater discounts or credits, to acquire and retain customers who in turn spend less on our services. If our ARPU decreases or does not increase commensurate with increases in programming or other costs, our margins could become compressed and the long term value of a customer would then decrease. The weak economy may affect our net subscriber additions and reduce subscriber spending and, if these economic conditions continue or deteriorate, subscriber growth could decline and churn could increase which would have a material adverse effect on our earnings and financial performance.

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**DIRECTV Latin America is subject to various additional risks associated with doing business internationally, which include political instability, economic instability, and foreign currency exchange rate volatility.**

All of DIRECTV Latin America's operating companies are located outside the continental United States. DIRECTV Latin America operates and has subscribers located throughout Latin America and the Caribbean, which makes it vulnerable to risks of conducting business in foreign markets, including:

difficulties and costs associated with complying with a wide variety of complex laws, treaties and regulations;

unexpected changes in political or regulatory environments;

earnings and cash flows that may be subject to tax withholding requirements or the imposition of tariffs, exchange controls or other restrictions;

difficulties and costs associated with the repatriation of cash from foreign countries to the United States;

political and economic instability;

import and export restrictions and other trade barriers;

difficulties in maintaining overseas subsidiaries and international operations;

difficulties in obtaining approval for significant transactions;

government takeover or nationalization of business; and

government mandated price controls.

In the past, the countries that constitute some of DIRECTV Latin America's largest markets, including Brazil, Argentina, Colombia and Venezuela have experienced economic crises, characterized by exchange rate instability, high inflation, high interest rates, economic contraction, a reduction or cessation of international capital flows, a reduction of liquidity in the banking sector and high unemployment. These economic conditions have often been related to political instability. If these economic conditions recur, they could substantially reduce the purchasing power of the population in our markets, including the middle-markets which we are targeting, and materially adversely affect our business.

Because DIRECTV Latin America offers premium pay television programming, its business may be particularly vulnerable to economic downturns. DIRECTV Latin America has in the past experienced, and may in the future experience, decreases or instability in consumer demand for its programming and increases in subscriber credit problems. DIRECTV Latin America's inability to adjust its business and operations to address these issues could materially adversely affect its revenues and ability to sustain profitable operations.

**Our ability to keep pace with technological developments is uncertain.**

In our industry, changes occur rapidly as new technologies are developed, which could render our services and products obsolete. We may not be able to keep pace with technological developments. If new technologies on which we focus our investments fail to achieve acceptance in the marketplace or our technology does not work and requires significant cost to replace or fix, we could suffer a material adverse effect on our future competitive position, which could cause a reduction in our revenues and earnings. Further, after incurring substantial costs, one or more of the technologies under development by us or any of our strategic partners could become obsolete prior to its introduction.



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Technological innovation depends, to a significant extent, on the work of technically skilled employees. Competition for the services of these employees has been vigorous. We may not be able to continue to attract and retain such employees.

To access technologies and provide products that are necessary for us to remain competitive, we may make future acquisitions and investments and may enter into strategic partnerships with other companies. Such investments may require a commitment of significant capital and human and other resources. The value of such acquisitions, investments and partnerships and the technology accessed may be highly speculative. Arrangements with third parties can lead to contractual and other disputes and dependence on others for the development and delivery of necessary technology that we may not be able to control or influence. Such relationships may commit us to technologies that are rendered obsolete by other developments or preclude the pursuit of other technologies which may prove to be superior.

**Our business relies on intellectual property, some of which is owned by third parties, and we may inadvertently infringe patents and proprietary rights of others.**

Many entities, including some of our competitors, have or may obtain patents and other intellectual property rights that cover or affect products or services related to those that we currently offer or may offer. If a court determines that one or more of our services or the products used to transmit or receive our services infringes on intellectual property owned by others, we and the applicable manufacturers or vendors may be required to cease developing or marketing those services and products, to obtain licenses from the owners of the intellectual property or to redesign those services and products in such a way as to avoid infringing the intellectual property rights. If a third party holds intellectual property rights, it may not allow us or the applicable manufacturers to use its intellectual property at any price, which could materially adversely affect our competitive position.

We may not be aware of all intellectual property rights that our services or the products used to transmit or receive our services may potentially infringe. U.S. patent applications are generally confidential until the Patent and Trademark Office issues a patent. Therefore, we cannot evaluate the extent to which our services or the products used to transmit or receive our services may infringe claims contained in pending patent applications. Further, without lengthy litigation, it is often not possible to determine definitively whether a claim of infringement is valid.

We cannot estimate the extent to which we may be required in the future to obtain intellectual property licenses or the availability and cost of any such licenses. Those costs, and their impact on our earnings, could be material. Damages in patent infringement cases may also include treble damages. If we are required to pay royalties to third parties, these increased costs could materially adversely affect our operating results. We are currently being sued in patent infringement actions related to use of technologies in our DTH business. There can be no assurance that the courts will conclude that our services or the products used to transmit or receive our services do not infringe on the rights of third parties, that we or the manufacturers would be able to obtain licenses from these persons on commercially reasonable terms or, if we were unable to obtain such licenses, that we or the manufacturers would be able to redesign our services or the products used to transmit or receive our services to avoid infringement. The final disposition of these claims is not expected to have a material adverse effect on our consolidated financial position, but could possibly be material to our consolidated results of operations for any one period. Further, no assurance can be given that any adverse outcome would not be material to our consolidated financial position. See "Legal Proceedings Intellectual Property Litigation" of our Form 10-K incorporated by reference herein.

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**We rely on key personnel.**

We believe that our future success will depend to a significant extent upon the performance of certain of our key executives. The loss of certain of our key executives could have a material adverse effect on our business, financial condition and results of operations.

**Construction or launch delays on satellites could materially adversely affect our revenues and earnings.**

A key component of our business strategy is our ability to expand our offering of new programming and services, including HD programming. In order to accomplish this goal, we need to construct and launch new satellites. The construction and launch of satellites are often subject to delays, including construction delays, unavailability of launch opportunities due to competition for launch slots, weather, general delays when a launch provider experiences a launch failure, and delays in obtaining regulatory approvals. A significant delay in the delivery of any satellite would materially adversely affect the use of the satellite and thus could materially adversely affect our anticipated revenues and earnings. If satellite construction schedules are not met, there can be no assurance that a launch opportunity will be available at the time a satellite is ready to be launched. Certain delays in satellite construction could also jeopardize a satellite authorization that is conditioned on timely construction and launch of the satellite.

**Satellites are subject to significant launch and operational risks.**

Satellites are subject to significant operational risks relating to launch and while in orbit. These risks include launch failure, incorrect orbital placement or improper operation. Launch failures result in significant delays in the deployment of satellites because of the need both to construct replacement satellites, which can take up to 36 months, and to obtain other launch opportunities. Any significant delays or failures in successfully launching and deploying our satellites could materially adversely affect our ability to generate revenues. While we have traditionally purchased insurance covering the launch and, in limited cases, operation of our satellites, such policies typically cover the loss of the satellite itself or a portion thereof, and not the business interruption or other associated direct and indirect costs.

In-orbit risks include malfunctions, commonly referred to as anomalies, and collisions with meteoroids, other spacecraft or other space debris. Anomalies occur as a result of satellite manufacturing errors, problems with the power systems or control systems of the satellites and general failures resulting from operating satellites in the harsh space environment. We work closely with our satellite manufacturers to determine and eliminate the potential causes of anomalies in new satellites and provide for redundancies of critical components as well as having backup satellite capacity. However, we cannot assure you that we will not experience anomalies in the future, nor can we assure you that our backup satellite capacity will be sufficient.

Any single anomaly or series of anomalies could materially adversely affect our operations and revenues and our relationships with our subscribers, as well as our ability to attract new subscribers for our services. Anomalies may also reduce the expected useful life of a satellite, creating additional expenses due to the need to provide replacement or backup satellites and potentially reducing revenues if service is interrupted. Finally, the occurrence of anomalies may materially adversely affect our ability to insure our satellites at commercially reasonable premiums, if at all. While some anomalies are currently covered by existing insurance policies, others are not now covered or may not be covered in the future.

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Our ability to earn revenue also depends on the usefulness of our satellites. Each satellite has a limited useful life. A number of factors affect the useful life of a satellite, including, among other things:

the design;

the quality of its construction;

the durability of its component parts;

the insertion of the satellite into orbit;

any required movement, temporary or permanent, of the satellite;

the ability to continue to maintain proper orbit and control over the satellite's functions; and

the remaining on-board fuel following orbit insertion.

Generally, the minimum design life of the satellites in our fleet is between 12 and 16 years. The actual useful lives of the satellites may be shorter or longer, in some cases significantly. Our operating results could be adversely affected if the useful life of any of our satellites were significantly shorter than 12 years from the date of launch.

In the event of a failure or loss of any of DIRECTV U.S.' satellites, DIRECTV U.S. may relocate another satellite and use it as a replacement for the failed or lost satellite. In the event of a complete satellite failure, DIRECTV U.S.' services provided via that satellite could be unavailable for several days or longer while backup in-orbit satellites are repositioned and services are moved. DIRECTV U.S. is not insured for any resultant lost revenues. The use of backup satellite capacity for DIRECTV U.S. programming may require DIRECTV U.S. to discontinue some programming services due to potentially reduced capacity on the backup satellite. Relocation of a DIRECTV U.S. satellite may not require prior FCC approval if, among other things, the replacement satellite would operate within the authorized or coordinated parameters of the failed or lost satellite. If that is not the case, prior FCC approval would be required. Such FCC approval may not be obtained. DIRECTV U.S. believes we have in-orbit satellite capacity to expeditiously recover transmission of most of our programming in the event one of our in-orbit satellites fails. However, programming continuity cannot be assured in the event of multiple satellite losses.

DIRECTV Latin America provides its services in PanAmericana and Brazil using leased transponders on two satellites. Sky Mexico provides its services from leased transponders on a separate satellite. Backup satellite capacity is available to serve Sky Brasil and Sky Mexico. In the event of a failure of a satellite used to provide services to Sky Brasil or Sky Mexico, we believe DIRECTV Latin America has sufficient in orbit back-up capacity to recover transmission of most of its programming distributed in those markets. However, in PanAmericana, DIRECTV Latin America has no designated back up satellite capacity for the region and, therefore, programming continuity cannot be assured in the event of a satellite loss.

**The loss of a satellite that is not insured could materially adversely affect our earnings.**

Any launch vehicle failure, or loss or destruction of any of our satellites, even if insured, could have a material adverse effect on our financial condition and results of operations, our ability to comply with FCC regulatory obligations and our ability to fund the construction or acquisition of replacement satellites in a timely fashion, or at all. At June 30, 2012, the net book value of in-orbit satellites was \$1,790 million, none of which was insured.

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**DIRECTV U.S. depends on the Communications Act for access to cable-affiliated programming and changes impacting that access could materially adversely affect us.**

DIRECTV U.S. purchases a substantial percentage of programming from programmers that are affiliated with cable system operators, including key RSNs. Currently, under certain provisions of the Communications Act governing access to programming, cable-affiliated programmers generally must sell and deliver their programming services to all MVPDs on non-discriminatory terms and conditions. The Communications Act and the FCC rules also prohibit certain types of exclusive programming contracts involving programming from cable-affiliated programmers.

Any change in the Communications Act or the FCC's rules that would permit programmers that are affiliated with cable system operators to refuse to provide such programming or to impose discriminatory terms or conditions could materially adversely affect our ability to acquire programming on a cost-effective basis, or at all. For example, the Communications Act contains certain prohibitions on certain cable industry exclusive contracting practices with cable-affiliated programmers, which will expire in October 2012. Unless the FCC acts to extend those prohibitions, we may be denied access to such programming.

In addition, certain cable providers have in the past denied us and other MVPDs access to a limited number of channels created by programmers with which the cable providers are affiliated. In other cases, such programmers have denied MVPDs high definition feeds of such programming. The cable providers have asserted that they are not required by the Communications Act to provide such programming (or high definition feed) due to the manner in which that programming is distributed. The FCC adopted rules to close this loophole. However, they require an evidentiary showing by an MVPD seeking access to such programming, and cable operators have vigorously contested such showings proffered by other complainants. If we were not able to make the required evidentiary showing, we could be precluded from obtaining such programming, which in turn could materially adversely affect our ability to compete in regions serviced by those cable providers.

DIRECTV U.S. itself is subject to similar restrictions with respect to certain programmers affiliated with us. The FCC imposed a number of conditions on its approval of Liberty Media's acquisition of News Corporation's interest in DIRECTV which continue to apply. Those conditions require DIRECTV U.S. to offer national and regional programming services it controls to all MVPDs on non-exclusive and non-discriminatory terms and conditions, and prohibits DIRECTV U.S. from entering into exclusive arrangements with affiliated programmers or unduly influencing such programmers in their dealings with other MVPDs.

We are subject to significant regulatory oversight and changes in applicable regulatory requirements could adversely affect our business. You should review the regulatory disclosures under the caption "Item 1 Business Government Regulation FCC Regulation Under the Communications Act and Related Acts" of our Form 10-K incorporated by reference herein.

**Changes to and implementation of statutory copyright license requirements may negatively affect our ability to deliver local and distant broadcast stations, as well as other aspects of our business.**

We carry the signals of local and distant broadcast stations pursuant to statutory copyright licenses contained in the Satellite Home Viewer Act (as amended), in conjunction with parallel provisions of the Communications Act, and our carriage of these stations is governed by the FCC and Copyright Office implementing regulations. Any changes to such laws or regulations could limit our ability to deliver local or distant broadcast signals. More generally, we have limited capacity, and the projected number of markets in which we can deliver local broadcast programming will continue to be constrained because of the statutory "carry-one, carry-all" requirement and may be reduced depending on the FCC's interpretation of its rules, as well as judicial decisions. We may not be able to comply with these rules, or compliance may mean that we are not able to use capacity otherwise for new or

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additional local or national programming services. In addition, the FCC has issued an increasing obligation for carriage of local digital broadcast transmissions in HD format. We may be unable to comply with this requirement in markets where we currently carry such signals without ceasing HD local service entirely in some markets, and would be precluded from launching additional markets currently planned.

The FCC has adopted rules requiring us to negotiate in good faith with broadcast stations seeking carriage outside of the mandatory carriage regime described elsewhere. The rules for "retransmission consent" negotiations require us to negotiate in good faith with programming providers. Failure to comply with these rules could subject us to administrative sanctions and other penalties. Moreover, the FCC is considering changes to these and other rules related to retransmission consent, which could make negotiations more difficult, increase fees charged for carriage, or result in the increased withholding of broadcast signals.

**Satellite programming signals have been stolen and may be stolen, which could result in lost revenues and would cause us to incur incremental operating costs that do not result in subscriber acquisition.**

The delivery of subscription programming requires the use of conditional access technology to limit access to programming to only those who are authorized to view it. The conditional access system uses encryption technology to protect the transmitted signal from unauthorized access. It is illegal to create, sell or otherwise distribute software or devices to circumvent that conditional access technology. However, theft of cable and satellite programming has been widely reported, and the access cards used in our conditional access system have been, and could be compromised in the future.

We have undertaken various initiatives with respect to our conditional access system to further enhance the security of the DIRECTV signal. We provide our subscribers with advanced access cards that we believe significantly enhance the security of our signal. We believe these access cards have not been compromised. However, we cannot guarantee that these advanced access cards will prevent future theft of our satellite programming signals. There can be no assurance that we will succeed in developing the technology we need to effectively restrict or eliminate signal theft. If our current access cards are compromised, our revenue and our ability to contract for programming could be materially adversely affected. In addition, our operating costs could increase if we attempt to implement additional measures to combat signal theft.

**The ability to maintain FCC licenses and other regulatory approvals is critical to our business.**

If we do not obtain all requisite U.S. regulatory approvals for the construction, launch and operation of any of our existing or future satellites, for the use of frequencies at the orbital locations planned for these satellites or for the provision of service, or the licenses obtained impose operational restrictions on us, our ability to generate revenue and profits could be materially adversely affected. In addition, under certain circumstances, existing licenses are subject to revocation or modification and upon expiration, extension or renewal may not be granted. If existing licenses are not extended or renewed, or are revoked or materially modified, our ability to generate revenue could be materially adversely affected.

Other U.S. regulatory risks include:

the relocation of satellites to different orbital locations if the FCC determines that relocation is in the public interest;

the denial by the FCC of an application to replace an existing satellite with a new satellite, or to operate a satellite beyond the term of its current authorization, or to operate an earth station to communicate with such satellite; and



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the authorization by the United States or foreign governments of the use of frequencies by third party satellite or terrestrial facilities that have the potential to interfere with communication to or from our satellites, which could interfere with our contractual obligations or services to subscribers or other business operations.

All of our FCC satellite authorizations are subject to conditions imposed by the FCC in addition to the FCC's general authority to modify, cancel or revoke those authorizations. Use of FCC licenses and other authorizations are often subject to conditions, including technical requirements and implementation deadlines. Failure to comply with such requirements, or comply in a timely manner, could lead to the loss of authorizations and could have a material adverse effect on our ability to generate revenue. For example, loss of an authorization could potentially reduce the amount of programming and other services available to our subscribers. The materiality of such a loss of authorization would vary based upon, among other things, the orbital location at which the frequencies may be used.

Moreover, some of our authorizations and future applications may be subject to petitions and oppositions, and there can be no assurance that our authorizations will not be canceled, revoked or modified or that our applications will not be denied. The outcomes of any legislative or regulatory proceedings or their effect on our business cannot be predicted. You should review "Item 1. Business Government Regulation FCC Regulation Under the Communications Act and Related Acts," of our Form 10-K incorporated by reference herein.

**We may not be able to obtain or retain certain foreign regulatory approvals.**

There can be no assurance that any current regulatory approvals held by us are, or will remain, sufficient in the view of foreign regulatory authorities, or that any additional necessary approvals will be granted on a timely basis or at all, in all jurisdictions in which we operate, or that applicable restrictions in those jurisdictions will not be unduly burdensome. The failure to obtain and maintain the authorizations necessary to operate satellites or provide satellite service internationally could have a material adverse effect on our ability to generate revenue and our overall competitive position.

**DIRECTV has an indemnity obligation to Liberty Media, which is not limited in amount or subject to any cap, that could be triggered if parts of the Liberty Transaction or Liberty's 2008 Transaction with News Corporation are treated as a taxable transaction.**

Despite obtaining a private letter ruling from the Internal Revenue Service (the "IRS") and an opinion of legal counsel to the effect that parts of the series of related transactions between DIRECTV Group and Liberty Media Corporation, which closed on November 19, 2009 (the "Liberty Transaction") qualified as a tax-free distribution for U.S. federal income tax purposes, the continuing validity of such ruling and opinion is subject to the accuracy of factual representations and certain assumptions. Any inaccuracy in such representations could invalidate the ruling, and failure to comply with any undertakings made in connection with such tax opinion could alter the conclusions reached in such opinion. Even if parts of the Liberty Transaction otherwise qualify for tax-free treatment, it would result in a significant U.S. federal income tax liability to Liberty Media if one or more persons acquire a 50% or greater interest in the DIRECTV common stock as part of a plan or series of related transactions that includes the Liberty Transaction. The process for determining whether an acquisition is part of a plan under these rules is complex, inherently factual and subject to interpretation of the facts and circumstances of a particular case. Liberty Media or DIRECTV might inadvertently cause or permit a prohibited change in the ownership of DIRECTV to occur, thereby triggering a tax liability to Liberty Media.

In addition, Liberty Media entered into a tax matters agreement with News Corporation in connection with its 2008 transaction with News Corporation, pursuant to which Liberty Media agreed,

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among other things, to indemnify News Corporation and certain related persons for taxes resulting from actions taken by Liberty Media or its affiliates that cause such transaction (or related restructuring transactions) not to qualify as tax-free transactions. Liberty Media's indemnification obligations to News Corporation and certain related persons are not limited in amount or subject to any cap.

Under a Tax Sharing Agreement between Liberty Media and DIRECTV, in certain circumstances DIRECTV is obligated to indemnify Liberty Media and certain related persons for any losses and taxes resulting from the failure of the Liberty Transaction to be tax-free transactions and from any losses resulting from Liberty Media's indemnity obligations to News Corporation under the tax matters agreement between News Corporation and Liberty Media. If DIRECTV is required to indemnify Liberty Media or certain related persons under the circumstances set forth in the Tax Sharing Agreement, DIRECTV may be subject to substantial liabilities not limited in amount or subject to any cap. In such a circumstance, DIRECTV Holdings may be required to make payments or dividends to DIRECTV to satisfy such liabilities that could either breach covenants in our credit facilities and bond indentures or require additional or accelerated payments, which could materially adversely affect our financial position and short term operating results.

**We may be required to forgo certain transactions in order to avoid the risk of incurring significant tax-related liabilities.**

We might be required to forgo certain transactions that might have otherwise been advantageous in order to preserve the tax-free treatment of the Liberty Transaction. In particular, we might be required to forgo certain transactions, including asset dispositions or other strategic transactions for some period of time following the Liberty Transaction so as not to trigger any liability under the tax indemnification obligations.

**We rely on network and information systems and other technology, and a disruption or failure of such networks, systems or technology as a result of, misappropriation of data or other malfeasance, as well as outages, natural disasters, accidental releases of information or similar events, may disrupt our business.**

Because network and information systems and other technologies are critical to our operating activities, network or information system shutdowns caused by events such as computer hacking on our network or our DIRECTV.com website, dissemination of computer viruses, worms and other destructive or disruptive software, and other malicious activity including industrial espionage and malicious social engineering, as well as power outages, natural disasters such as earthquakes, terrorist attacks and similar events, pose significant risks. Due to the fast-moving pace of technological advancements, it may be difficult to detect, contain and remediate every such event. Such an event could have an adverse impact on our operations, including service disruption, degradation of service, excessive call volume to call centers and damage to our broadcast centers, other properties, equipment and data. Such an event also could result in large expenditures necessary to repair or replace such networks or information systems or to protect them from similar events in the future. Third parties may also experience errors or disruptions that could adversely impact our business operations and over which we have limited control. Significant incidents could result in a disruption of our operations, customer dissatisfaction, or a loss of customers or revenues. The amount and scope of insurance we maintain against losses resulting from these events may not be sufficient to cover our losses or otherwise adequately compensate us for any disruptions to our business that may result. Furthermore, our operating activities could be subject to risks caused by misappropriation, misuse, leakage, falsification and accidental release or loss of information maintained in our information technology systems and networks, including customer, personnel and vendor data. We could be exposed to significant costs if such risks were to materialize, and such events could damage our reputation and

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credibility and have a negative impact on our revenues. We also could be required to expend significant capital and other resources to remedy any such security breach. As a result of the increasing awareness concerning the importance of safeguarding personal information, the potential misuse of such information and legislation that has been adopted or is being considered regarding the protection, privacy and security of personal information, the liability associated with information-related risks is increasing, particularly for businesses like ours that handle a large amount of personal customer data. The occurrence of any such network or information systems related events or security breaches could have a material adverse effect on our business and results of operations.

**We face risks arising from the outcome of various legal proceedings.**

We are involved in various legal proceedings, including those arising in the ordinary course of business, such as consumer class actions and those described under the caption "Legal Proceedings" in Part I, Item 3 of our Form 10-K incorporated by reference herein. Such matters include investigations and legal actions by the Federal Trade Commission where regulators may seek monetary damages and may also seek to require or prohibit certain actions by us with regard to our current or potential customers. While we do not believe that any of these proceedings alone or in the aggregate will have a material effect on our consolidated financial position, an adverse outcome in one or more of these matters or the imposition of conditions by regulators on the conduct of our business could be material to our consolidated results of operations and cash flows for any one period. Further, no assurance can be given that any adverse outcome would not be material to our consolidated financial position.

**Our strategic initiatives may not be successfully implemented, may not elicit the expected customer response in the market and may result in competitive reactions.**

The Company has identified a number of strategic initiatives that it intends to pursue which are discussed in more detail in "Summary DIRECTV U.S. Business strategy" and "Summary DIRECTV Latin America Business strategy." The successful implementation of those strategic initiatives requires an investment of time, talent and money and is dependent upon a number of factors some of which are not within our control. Those factors include the ability to execute such initiatives in the market, the response of existing and potential new customers, and the reaction of competitors. If we fail to properly execute or deliver products or services that do not address customers' expectations, it may have an adverse effect on our ability to retain and attract customers and may increase our costs and reduce our revenues. Similarly, competitive reaction to our initiatives or advancements in technology or competitive products or services could impair our ability to execute or could limit the effectiveness of those strategic initiatives. There can be no assurance that we will successfully implement these strategic initiatives or that, if successfully pursued, they will have the desired result on our business or results of operations.

**We may face other risks described from time to time in periodic reports filed by us with the SEC.**

We urge you to consider the above risk factors carefully in evaluating forward- looking statements contained in this prospectus. The forward-looking statements included in this prospectus are made only as of the date of this prospectus and we undertake no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

**Risks related to the notes**

**DIRECTV Holdings will have substantial indebtedness and depend upon the earnings of its subsidiaries to make payments on its indebtedness.**

As of June 30, 2012, after giving pro forma effect to this offering, and prior to any application of the proceeds therefrom, DIRECTV Holdings, together with its subsidiaries, would have had

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approximately \$17,156 million of outstanding indebtedness. See "Capitalization." DIRECTV Holdings is a holding company with limited assets other than the capital stock of its subsidiaries. DIRECTV Holdings' ability to service its debt obligations is therefore dependent upon the earnings of its subsidiaries and the receipt of funds from its subsidiaries in the form of loans, dividends or other payments. DIRECTV Holdings does not have, and may not in the future have, any assets other than its ownership interests in its subsidiaries, limited programming assets and the intellectual property license from DIRECTV Group. DIRECTV Holdings' subsidiaries' ability to make any payments to DIRECTV Holdings will depend on their capacity to incur additional indebtedness, business and tax considerations, legal and regulatory restrictions and economic conditions. For example, under Delaware law, DIRECTV Holdings' subsidiaries may not make distributions or pay dividends to DIRECTV Holdings if, after giving effect to those distributions or dividends, the liabilities of any such subsidiary would exceed the fair value of its assets. Although DIRECTV and DIRECTV Holdings' domestic subsidiaries will guarantee the notes, we cannot predict what the value of DIRECTV and DIRECTV Holdings' subsidiaries' assets or the amount of their liabilities will be in the future and whether these values or amounts will permit the payment of distributions or dividends to us. Future borrowings by DIRECTV Holdings' domestic subsidiaries may contain restrictions or prohibitions on the payment of distributions and dividends by those subsidiaries to DIRECTV Holdings. DIRECTV's subsidiaries other than the co-issuers and the other guarantors are not obligors or guarantors of the notes. Accordingly, we cannot assure you that DIRECTV Holdings will be able to pay its principal and interest obligations on the notes in a timely manner or at all.

**Restrictive covenants in the documents governing DIRECTV Holdings' indebtedness may limit its ability to undertake certain types of transactions.**

As a result of various restrictive covenants in the indentures governing DIRECTV Holdings' Existing Notes and the credit agreement governing DIRECTV Holdings' senior revolving credit facility, DIRECTV Holdings' financial flexibility is restricted in a number of ways. The indentures governing DIRECTV Holdings' Existing Notes currently subject DIRECTV Holdings and its restricted subsidiaries to significant restrictive covenants, including restrictions on DIRECTV Holdings and its subsidiaries' ability to place liens upon assets, consummate certain asset sales, merge or consolidate with any other person or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its assets.

DIRECTV Holdings' senior revolving credit facility requires it to meet a financial ratio on an ongoing basis that may require it to take action and reduce debt or act in a manner contrary to its business objectives. Events beyond our control, including changes in general economic and business conditions, may affect DIRECTV Holdings' ability to meet that financial ratio. We cannot assure that DIRECTV Holdings will meet that test or that the lenders will waive any failure to meet that test. A breach of any of these covenants would result in a default under DIRECTV Holdings' senior revolving credit facility and the indentures. If an event of default under DIRECTV Holdings' senior revolving credit facility occurs, the lenders could elect to declare all amounts outstanding thereunder, together with accrued interest, to be immediately due and payable. In such an event, we cannot assure you that we would have sufficient assets to pay amounts due on the notes. As a result, you may receive less than the full amount you would otherwise be entitled to receive on the notes.

Notwithstanding the restrictions described above, the terms of DIRECTV Holdings' senior revolving credit facility and indentures (including the indenture governing the notes) currently give us substantial flexibility to undertake certain transactions which could be adverse to the interests of holders of the notes. For instance, the terms of DIRECTV Holdings' senior revolving credit facility, the indentures for the Existing Notes and the indenture for the notes offered hereby allow us to incur substantial additional indebtedness and make significant restricted payments.

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**There are limited covenants in the indenture.**

Neither we nor any of our subsidiaries are restricted from incurring additional unsecured debt or other liabilities, including additional unsecured senior debt, under the indenture governing the notes. While the indenture governing the notes contains certain restrictions on DIRECTV Holdings and its subsidiaries' ability to incur additional secured indebtedness, these restrictions are subject to various exceptions and secured indebtedness incurred pursuant to such exceptions may be substantial. If we incur additional debt or liabilities, our ability to pay our obligations on the notes could be adversely affected. We expect that we will from time to time incur additional debt and other liabilities. In addition, we are not restricted under the indenture governing the notes from paying dividends or issuing or repurchasing our securities. Furthermore, none of the restrictions in the indenture or events of default will apply to DIRECTV or any of its subsidiaries other than DIRECTV Holdings and its subsidiaries.

**Not all of our subsidiaries are guarantors claims of holders of the notes will be structurally subordinated to claims of non-guarantor subsidiaries.**

The notes are guaranteed by DIRECTV and certain of DIRECTV Holdings' domestic subsidiaries (other than the co-issuer). The remaining subsidiaries of DIRECTV, which include any subsidiary of DIRECTV that owns assets and operations of DIRECTV Latin America, are not obligors or guarantors of the notes. Holders of notes will only be creditors of the issuers and the guarantors. In the case of subsidiaries of DIRECTV that are not guarantors (other than the issuers of the notes), all the existing and future liabilities of those subsidiaries, including any claims of trade creditors and preferred stockholders, will rank effectively senior and have priority to the notes. As a result, the notes will be structurally subordinated to the prior payment of all of the debts (including trade payables) of our non-guarantor subsidiaries. DIRECTV and the non-guarantor subsidiaries of DIRECTV are not subject to any limitation on borrowing under DIRECTV Holdings' senior revolving credit facility, the indentures for the Existing Notes or the indenture for the notes offered hereby. In the event of a bankruptcy, liquidation or reorganization of any of the non-guarantor subsidiaries (other than the issuers of the notes), holders of their debt and their trade and other creditors will generally be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to the obligors under the notes.

As of June 30, 2012, after giving effect to the offering and the application of the net proceeds therefrom, the notes would have been effectively subordinated to \$2,813 million of liabilities, excluding intercompany liabilities, of these non-guarantor subsidiaries. The non-guarantor subsidiaries held \$7,372 million of total assets, excluding intercompany assets, as of June 30, 2012 and had revenues of \$3,166 million and operating profit of \$481 million for the year ended June 30, 2012.

**DIRECTV may be unable to access some or all of its cash flow from DIRECTV Latin America and its subsidiaries in the event that it is required to perform under the terms of its guarantee.**

In Venezuela, our ability to repatriate cash is limited due to government imposed exchange controls. Consequently, cash may not be available to DIRECTV from DIRECTV Latin America to fund any of DIRECTV's obligations, including any obligations under DIRECTV's guarantee of the notes.

**The notes will be effectively subordinated to our secured debt.**

The notes will be unsecured obligations of the issuers and guarantors, including DIRECTV, and will be effectively subordinated to any secured debt obligations they may incur in the future to the extent of the value of the assets securing that debt. The effect of this subordination is that if the issuers or any guarantor is involved in a bankruptcy, liquidation, dissolution, reorganization or similar

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proceeding, or upon a default in payment on, or the acceleration of, any of their secured debt, if any, the issuers' assets and those of the guarantors that secure debt will be available to pay obligations on the notes only after all debt under their secured debt, if any, has been paid in full from those assets. We may not have sufficient assets remaining to pay amounts due on any or all of the notes then outstanding. See "Description of Notes."

**We may be unable to repurchase the notes upon a change of control triggering event.**

There is no sinking fund with respect to the notes, and the entire outstanding principal amount of the notes will become due and payable at maturity. If DIRECTV Holdings experiences a change of control triggering event, you may require it to repurchase all or a portion of your notes prior to maturity. See "Description of Notes Change of control and rating decline." We cannot assure you that DIRECTV Holdings will have enough funds to pay its obligations under the notes upon a change of control triggering event. Any of our future debt agreements may prohibit our repayment of the notes in that event. Accordingly, DIRECTV Holdings may be unable to satisfy its obligations to purchase your notes unless it is able to refinance or obtain waivers under any future indebtedness it incurs that restricts its ability to repurchase notes.

**A court may void the guarantees of the notes or subordinate the guarantees to other obligations of the guarantors.**

The issuers' obligations under the notes will initially be guaranteed jointly and severally by DIRECTV and certain of DIRECTV Holdings' domestic subsidiaries (other than the co-issuer). It is possible that the creditors of the guarantors may challenge the guarantees as a fraudulent conveyance under relevant federal and state statutes. Although standards may vary depending on the applicable law, generally under United States federal bankruptcy law and comparable provisions of state fraudulent transfer laws, if a court were to find that, among other things, at the time any guarantor of the notes incurred the debt evidenced by its guarantee of the notes, the guarantor either:

was insolvent or rendered insolvent by reason of the incurrence of the guarantee;

was engaged or about to engage in a business or transaction for which the guarantor's remaining assets constituted unreasonably small capital;

was a defendant in an action for money damages, or had a judgment for money damages docketed against it, if in either case, after a final judgment, the judgment remained unsatisfied; or

intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature;

and that guarantor:

received less than the reasonable equivalent value or fair consideration for the incurrence of its guarantee; or

incurred the guarantee or made related distributions or payments with the intent of hindering, delaying or defrauding creditors;

then, there is a risk that the guarantee of that guarantor could be voided by a court, or claims by holders of the notes under the guarantee could be subordinated to other debts of that guarantor. In addition, any payment by the guarantor pursuant to its guarantee could be required to be returned to that guarantor, or to a fund for the benefit of the creditors of that guarantor.

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The measures of insolvency for purposes of the foregoing considerations will vary depending upon the law applied in any proceeding. Generally, however, a guarantor of the notes would be considered insolvent if:

the sum of its debts, including contingent liabilities, was greater than the fair value of all of its assets at a fair valuation;

the present fair value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or

it could not pay its debts as they become due.

Although each guarantee will be limited as necessary to prevent that guarantee from constituting a fraudulent conveyance under applicable law, this provision may not be effective to protect the guarantees from being voided under the fraudulent transfer laws described above. In a recent Florida bankruptcy case, a similar provision was found to be ineffective to protect the guarantees. In addition, the assets of DIRECTV's subsidiaries that do not guarantee the notes, which includes any subsidiary of DIRECTV that owns assets and operations of DIRECTV Latin America, will not be available to satisfy the obligations under the Notes.

**The notes will cease to be guaranteed if certain events occur.**

The notes are guaranteed by DIRECTV and certain of DIRECTV Holdings' domestic subsidiaries only to the extent that certain events do not occur. The notes will cease to be guaranteed by DIRECTV if DIRECTV Holdings ceases for any reason to be a "wholly owned subsidiary" (as such term is defined in Rule 1-02(aa) of Regulation S-X promulgated by the SEC) of DIRECTV. In that event, the notes will cease to be guaranteed by DIRECTV and holders will then only have a direct claim against DIRECTV Holdings LLC, DIRECTV Financing Co., Inc. and any remaining subsidiary guarantors of the notes for amounts owed to them under the notes. In addition, the notes will cease to be guaranteed by any guarantor that guarantees the notes under certain circumstances described under "Description of Notes Brief description of the notes and the guarantees The guarantees," including, except in the case of DIRECTV, if such guarantor is released from guaranteeing DIRECTV Holdings' senior revolving credit facility and the Existing Notes. In the event that DIRECTV Holdings' domestic subsidiaries (other than the co-issuer) no longer guarantee DIRECTV Holdings' senior revolving credit facility and the Existing Notes as a result of a refinancing or the repayment of the Existing Notes, the notes will cease to be guaranteed by those subsidiaries and holders will then only have a direct claim against DIRECTV Holdings LLC, DIRECTV Financing Co., Inc. and DIRECTV (to the extent that DIRECTV's guarantee is still in place) for amounts owed to them under the notes. None of DIRECTV's subsidiaries, other than DIRECTV Holdings, DIRECTV Financing, and DIRECTV Holdings' subsidiaries is an obligor or a guarantor of the notes being offered hereby. If the notes cease to be guaranteed by DIRECTV Holdings' domestic subsidiaries, the notes will be structurally subordinated to the indebtedness and other liabilities of those domestic subsidiaries. In that case, any right that DIRECTV Holdings LLC and DIRECTV Financing Co., Inc., if any, have to receive any assets of any of DIRECTV Holdings' domestic subsidiaries upon the liquidation or reorganization of those subsidiaries, and the consequent rights of holders of the notes to realize proceeds from the sale of those subsidiaries' assets, will be effectively subordinated to the claims of those subsidiaries' creditors, including trade creditors and holders of preferred equity interests of those subsidiaries. See "Description of Notes Brief description of the notes and the guarantees The guarantees."

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**We have broad discretion in how we use the proceeds of this offering, and we may use the proceeds in ways in which you disagree.**

We will have significant discretion in how we use the net proceeds from this offering. We intend to use the net proceeds from this offering for general corporate purposes, which may include a distribution to DIRECTV for its share repurchase plan and other corporate purposes. Because we have not allocated specific amounts of the net proceeds from this offering for any specific purpose, you cannot determine at this time the value or propriety of our application of the proceeds, and you may not agree with our decisions. In addition, our use of the proceeds from this offering may not yield a significant return or any return at all. Our failure to apply these funds effectively could have a negative impact on our business, results of operations or financial condition. See "Use of Proceeds."

**DIRECTV may have interests that conflict with those of the noteholders.**

DIRECTV Holdings is a wholly-owned subsidiary of DIRECTV Group which in turn is a wholly-owned subsidiary of DIRECTV. As DIRECTV Holdings' Parent, DIRECTV controls its fundamental corporate policies and transactions, including, but not limited to, the approval of significant corporate transactions, including a change of control. The interests of DIRECTV as equity holder may differ from your interests as a holder of the notes. For example, DIRECTV may have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in its judgment, could enhance its equity investments, even though those transactions might involve risks to you as holders of the notes.

**An investment in the notes by a purchaser whose home currency is not Sterling entails significant risks.**

An investment in the notes by a purchaser whose home currency is not Sterling entails significant risks. These risks include the possibility of significant changes in rates of exchange between the holder's home currency and Sterling and the possibility of the imposition or subsequent modification of foreign exchange controls. These risks generally depend on factors over which we have no control, such as economic, financial and political events and the supply of and demand for the relevant currencies. In the past, rates of exchange between Sterling and certain currencies have been highly volatile, and each holder should be aware that volatility may occur in the future. Fluctuations in any particular exchange rate that have occurred in the past, however, are not necessarily indicative of fluctuations in the rate that may occur during the term of the notes. Depreciation of Sterling against the holder's home currency would result in a decrease in the effective yield of the notes below its coupon rate and, in certain circumstances, could result in a loss to the holder.

**The notes permit us to make payments in U.S. dollars if we are unable to obtain Sterling.**

If Sterling or, in the event the notes are redenominated in euro, euro is unavailable to us due to the imposition of exchange controls or other circumstances beyond our control, then all payments in respect of the notes will be made in U.S. dollars until Sterling or euro, as the case may be, is again available to us. The amount payable on any date in Sterling or, in the event the notes are redenominated in euro, euro will be converted into U.S. dollars on the basis of the then most recently available market exchange rate for Sterling or euro, as the case may be. Any payment in respect of the notes so made in U.S. dollars will not constitute an event of default under the indenture governing the notes.

**In a lawsuit for payment on the notes, an investor may bear currency exchange risk.**

The notes will be governed by the laws of the State of New York. Under New York law, a New York state court rendering a judgment on the notes would be required to render the judgment in Sterling or, in the event the notes are redenominated in euro, euro. However, the judgment would be



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converted into U.S. dollars at the exchange rate prevailing on the date of entry of the judgment. Consequently, in a lawsuit for payment on the notes, investors would bear currency exchange risk until a New York state court judgment is entered, which could be a long time. A Federal court sitting in New York with diversity jurisdiction over a dispute arising in connection with the notes would apply the foregoing New York law.

In courts outside of New York, investors may not be able to obtain a judgment in a currency other than U.S. dollars. For example, a judgment for money in an action based on the notes in many other U.S. federal or state courts ordinarily would be enforced in the United States only in U.S. dollars. The date used to determine the rate of conversion of Sterling or euro into U.S. dollars would depend upon various factors, including which court renders the judgment.

**The trading market for the notes may be limited.**

The notes are a new issue of securities for which no established trading market exists. If an active trading market does not develop for the notes, investors may not be able to resell them. Although we expect the notes to be listed for trading on the New York Stock Exchange, no assurance can be given that a trading market for the notes will develop. The underwriters for this offering have advised us that they intend to make a market in the notes after completion of the offering. However, the underwriters are not obligated to do so and may discontinue market making at any time. Therefore, no assurance can be given as to the liquidity of, or trading market for, the notes. The lack of a trading market could adversely affect investors' ability to sell the notes and the price at which investors may be able to sell the notes. The liquidity of the trading market, if any, and future trading prices of the notes will depend on many factors, including, among other things, the number of holders of the notes, our operating results, financial performance and prospects, prevailing interest rates, the market for similar securities and the overall securities market, and may be adversely affected by unfavorable changes in these factors.

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**CURRENCY CONVERSION**

Principal and interest payments in respect of the notes will be payable in Sterling or, if the United Kingdom adopts euro as its lawful currency, in euro. If Sterling or, in the event the notes are redenominated into euro, euro is unavailable to us due to the imposition of exchange controls or other circumstances beyond our control, then all payments in respect of the notes will be made in U.S. dollars until Sterling or euro, as the case may be, is again available to us. The amount payable on any date in Sterling or, in the event the notes are redenominated into euro, euro will be converted into U.S. dollars on the basis of the most recently available market exchange rate for Sterling or euro, as the case may be. Any payment in respect of the notes so made in U.S. dollars will not constitute an event of default under the indenture governing the notes.

Investors will be subject to foreign exchange risks as to payments of principal and interest that may have important economic and tax consequences to them. See "Risk Factors."

As of September 11, 2012, the Sterling/U.S. \$ rate of exchange was £1.00/U.S. \$1.61.

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**USE OF PROCEEDS**

We expect that the net proceeds of this offering will be approximately £736 million, or \$1,184 million, based on the Sterling/U.S. \$ rate of exchange as of September 11, 2012, after deducting commissions to the underwriters and expenses of this offering. The net proceeds of this offering will be used for general corporate purposes, which may include a distribution to DIRECTV for its share repurchase plan and other corporate purposes.

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Table of Contents**CAPITALIZATION**

The following table sets forth our cash and cash equivalents and total capitalization as of June 30, 2012 (i) on an actual basis and (ii) as adjusted to give effect to this offering and prior to any application of the proceeds therefrom as described under "Summary The Offering."

(Dollars in millions)	As of June 30, 2012	
	Actual	As adjusted <sup>1</sup>
Cash and cash equivalents	\$ 2,132	\$ 3,316
Long-term debt, including current portion:		
Senior revolving credit facility	\$	\$
4.750% senior notes due 2014	999	999
3.550% senior notes due 2015	1,199	1,199
3.125% senior notes due 2016	750	750
3.500% senior notes due 2016	1,498	1,498
2.400% senior notes due 2017	1,249	1,249
5.875% senior notes due 2019	995	995
5.200% senior notes due 2020	1,298	1,298
4.600% senior notes due 2021	999	999
5.000% senior notes due 2021	1,494	1,494
3.800% senior notes due 2022	1,499	1,499
6.350% senior notes due 2040	500	500
6.000% senior notes due 2040	1,234	1,234
6.375% senior notes due 2041	1,000	1,000
5.150% senior notes due 2042	1,248	1,248
4.375% senior notes due 2029 offered hereby <sup>2</sup>		1,194
Total long-term debt, including current portion	15,962	17,156
Total owner's deficit	(4,310)	(4,310)
Total capitalization	\$ 11,652	\$ 12,846

<sup>1</sup> As adjusted amounts as of June 30, 2012 do not include cash provided by operations since June 30, 2012.

<sup>2</sup> Reflects the translation of £750 million aggregate principal amount of notes to U.S. Dollars based on the Sterling/U.S. \$ rate of £1.00/U.S. \$1.61 as of September 11, 2012.

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**DESCRIPTION OF OTHER INDEBTEDNESS**

**Senior revolving credit facility**

On February 7, 2011, DIRECTV Holdings and certain of its subsidiaries as guarantors, including DIRECTV Financing Co., Inc., and each guarantor of the notes offered hereby (other than DIRECTV) entered into a credit agreement, with Citibank, N.A., as Administrative Agent, the lenders party to the credit agreement, Barclays Capital Inc., as Syndication Agent, Credit Suisse Securities (USA) LLC, J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, The Royal Bank Of Scotland plc and UBS AG, Stamford Branch as Co-Documentation Agents, and Citigroup Global Markets Inc., Barclays Capital Inc., Credit Suisse Securities (USA) LLC, J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, RBS Securities Inc. and UBS AG, Stamford Branch as Joint Lead Arrangers and Joint Bookrunners (the "Credit Agreement").

The Credit Agreement provides for a \$2.0 billion, five-year, senior unsecured revolving credit facility. In January 2012, DIRECTV Holdings borrowed \$400 million under the revolving credit facility, which was repaid in March 2012, and may borrow additional funds under this facility to fund share repurchases by DIRECTV or to fund strategic investment opportunities should they arise. The amount available under the senior revolving credit facility is subject to increase or decrease under certain circumstances as provided for in the Credit Agreement. The senior revolving credit facility replaced DIRECTV Holdings' previous credit agreement dated as of April 13, 2005 among DIRECTV Holdings, certain of its subsidiaries as guarantors, the lenders party thereto and Bank of America, N.A., as administrative agent and collateral agent, which was terminated February 4, 2011.

Borrowings under the Credit Agreement currently bear interest at a rate equal to either (a) the British Bankers Association LIBOR plus 1.50% per annum, or (b) for any day, a fluctuating rate per annum equal to the higher of (i) the federal funds rate plus 0.50% and (ii) the rate of interest in effect for such day as publicly announced from time to time by the Administrative Agent as its "base rate" plus 0.50% per annum. The interest rate may be increased or decreased under certain conditions. We are required to pay a commitment fee currently set at 0.30% per year on the unused commitment under the senior revolving credit facility, which fee is subject to increase or decrease under certain conditions.

Borrowings under the senior revolving credit facility will be DIRECTV Holdings' unsecured senior obligations and will rank equally in right of payment with all DIRECTV Holdings' existing and future senior debt, including the notes offered hereby and the Existing Notes and will rank senior in right of payment to all of DIRECTV Holdings' future subordinated debt, if any. Obligations, as defined in the Credit Agreement, will be guaranteed (the "Guarantees") by all of DIRECTV Holdings' material existing domestic subsidiaries that are a signatory to the senior revolving credit facility and by certain of DIRECTV Holdings' future domestic subsidiaries on a joint and several basis (the "Guarantors"). Neither the parent company of DIRECTV Holdings, The DIRECTV Group, Inc., nor its parent company, DIRECTV, nor their respective subsidiaries, other than DIRECTV Holdings and certain of DIRECTV Holdings' subsidiaries and DIRECTV Financing, are obligors or guarantors under the Credit Agreement (although if certain amendments we are seeking to make to the Credit Agreement become effective, DIRECTV will become a guarantor under the Credit Agreement on terms substantially identical to DIRECTV's guarantee of the notes). A Guarantor may be released of its obligations under the Guarantees if no Default or Event of Default shall have occurred and be continuing and such Guarantor is concurrently released from its guarantees under all of the Existing Notes, the notes offered hereby and certain notes DIRECTV Holdings may issue in the future then outstanding.

The senior revolving credit facility requires DIRECTV Holdings to comply with a financial covenant that DIRECTV Holdings and its subsidiaries' Consolidated Total Leverage Ratio (as defined in the Credit Agreement), on a consolidated basis, not be greater than 5.0:1.0 as of the last day of any

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fiscal quarter commencing with the fiscal quarter ending March 31, 2011. Other covenants also apply that restrict DIRECTV Holdings or its subsidiaries' ability to, among other things, (i) incur liens, (ii) incur additional indebtedness, (iii) merge or consolidate with another entity, (iv) materially change the nature of its business or (v) enter into certain transactions with affiliates, in each case subject to exceptions as provided in the Credit Agreement. If DIRECTV Holdings and its subsidiaries fail to comply with these or other covenants, all or a portion of its borrowings could become immediately payable and the senior revolving credit facility could be terminated. DIRECTV Holdings and its subsidiaries are currently in compliance with all such covenants. The senior revolving credit facility also provides that the borrowings may be required to be prepaid if certain change-in-control events occur.

Borrowings from the senior revolving credit facility may be used for general corporate purposes, which may include a distribution to DIRECTV for share repurchases and other corporate purposes.

For a description of the proposed amendments to the Credit Agreement, see "Summary Recent developments Senior revolving credit facility."

**2014 and 2019 Notes**

On September 22, 2009, DIRECTV Holdings and DIRECTV Financing issued \$1 billion of 2014 Notes and \$1 billion of 2019 Notes. These notes bear interest at 4.750% and 5.875%, respectively. Principal on the 2014 Notes and 2019 Notes is payable upon maturity, while interest is payable semi-annually. The 2014 Notes and 2019 Notes have been fully and unconditionally guaranteed, jointly and severally, by each of DIRECTV Holdings' material direct and indirect domestic subsidiaries (other than DIRECTV Financing) and by DIRECTV on a senior unsecured basis. The 2014 Notes and 2019 Notes contain covenants that restrict DIRECTV Holdings, DIRECTV Financing and DIRECTV Holdings' subsidiaries from, subject to certain exceptions: (i) placing liens on our assets; (ii) entering into sale and leaseback transactions; and (iii) merging, consolidating or selling substantially all of our assets.

**2015, 2020 and 2040 Notes**

On March 11, 2010, DIRECTV Holdings and DIRECTV Financing issued \$1.2 billion of 2015 Notes, \$1.3 billion of 2020 Notes and \$500 million of 2040 Notes. These notes bear interest at 3.550%, 5.200% and 6.350%, respectively. Principal on the 2015 Notes, 2020 Notes and 2040 Notes is payable upon maturity, while interest is payable semi-annually. The 2015 Notes, 2020 Notes and 2040 Notes have been fully and unconditionally guaranteed, jointly and severally, by each of DIRECTV Holdings' material direct and indirect domestic subsidiaries (other than DIRECTV Financing) and by DIRECTV on a senior unsecured basis. The 2015 Notes, 2020 Notes and 2040 Notes contain covenants that restrict DIRECTV Holdings, DIRECTV Financing and DIRECTV Holdings' subsidiaries from, subject to certain exceptions: (i) placing liens on our assets; (ii) entering into sale and leaseback transactions; and (iii) merging, consolidating or selling substantially all of our assets.

**2016 Notes, 2021 Notes and 6.000% 2040 Notes**

On August 17, 2010, DIRECTV Holdings and DIRECTV Financing issued \$750.0 million of 2016 Notes, \$1.0 billion of 2021 Notes and \$1.25 billion of 6.000% 2040 Notes. These notes bear interest at 3.125%, 4.600% and 6.000%, respectively. Principal on the 2016 Notes, 2021 Notes and 6.000% 2040 Notes is payable upon maturity, while interest is payable semi-annually. The 2016 Notes, 2021 Notes and 6.000% 2040 Notes have been fully and unconditionally guaranteed, jointly and severally, by each of DIRECTV Holdings' material direct and indirect domestic subsidiaries (other than DIRECTV Financing) and by DIRECTV on a senior unsecured basis. The 2016 Notes, 2021 Notes and 6.000% 2040 Notes contain covenants that restrict DIRECTV Holdings, DIRECTV Financing and DIRECTV Holdings' subsidiaries from, subject to certain exceptions: (i) placing liens on our assets; (ii) entering

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into sale and leaseback transactions; and (iii) merging, consolidating or selling substantially all of our assets.

**3.500% 2016 Notes, 5.000% 2021 Notes and 2041 Notes**

On March 10, 2011, DIRECTV Holdings and DIRECTV Financing issued \$1.5 billion of 3.500% 2016 Notes, \$1.5 billion of 5.000% 2021 Notes and \$1.0 billion of 2041 Notes. These notes bear interest at 3.500%, 5.000% and 6.375%, respectively. Principal on the 3.500% 2016 Notes, 5.000% 2021 Notes and 2041 Notes is payable upon maturity, while interest is payable semi-annually. The 3.500% 2016 Notes, 5.000% 2021 Notes and 2041 Notes have been fully and unconditionally guaranteed, jointly and severally, by each of DIRECTV Holdings' material direct and indirect domestic subsidiaries (other than DIRECTV Financing) and by DIRECTV on a senior unsecured basis. The 3.500% 2016 Notes, 5.000% 2021 Notes and 2041 Notes contain covenants that restrict DIRECTV Holdings, DIRECTV Financing and DIRECTV Holdings' subsidiaries from, subject to certain exceptions: (i) placing liens on our assets; (ii) entering into sale and leaseback transactions; and (iii) merging, consolidating or selling substantially all of our assets.

**2017, 2022 and 2042 Notes**

On March 8, 2012, DIRECTV Holdings and DIRECTV Financing issued \$1.25 billion of 2017 Notes, \$1.5 billion of 2022 Notes and \$1.25 billion of 2042 Notes. These notes bear interest at 2.400%, 3.800% and 5.150%, respectively. Principal on the 2017 Notes, 2022 Notes and 2042 Notes is payable upon maturity, while interest is payable semi-annually. The 2017 Notes, 2022 Notes and 2042 Notes have been fully and unconditionally guaranteed, jointly and severally, by each of DIRECTV Holdings' material direct and indirect domestic subsidiaries (other than DIRECTV Financing) and by DIRECTV on a senior unsecured basis. The 2017 Notes, 2022 Notes and 2042 Notes contain covenants that restrict DIRECTV Holdings, DIRECTV Financing and DIRECTV Holdings' subsidiaries from, subject to certain exceptions: (i) placing liens on our assets; (ii) entering into sale and leaseback transactions; and (iii) merging, consolidating or selling substantially all of our assets.

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**DESCRIPTION OF NOTES**

The issuers will issue the 4.375% Senior Notes due 2029 under the base indenture, to be dated September 14, 2012, supplemented by a first supplemental indenture to be dated September 14, 2012 (collectively, the "indenture"), to which DIRECTV Holdings LLC ("*DIRECTV Holdings*"), DIRECTV Financing Co., Inc. ("*DIRECTV Financing*"), the Guarantors and The Bank of New York Mellon Trust Company, N.A., as trustee (the "*Trustee*"), will be parties. As permitted by the base indenture, certain provisions of the supplemental indenture are different from, and supersede, the corresponding provisions of the base indenture, and references in this description to the indenture are to the base indenture, as so modified. 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 and the notes because they, and not this description, will define your rights as a holder of the notes. Copies of the proposed forms of the indenture and the notes are available to you upon request.

You can find the definitions of some of the capitalized terms used in this section under the subheading "Certain definitions." In this section of the prospectus supplement:

the terms the "Issuer," "DIRECTV Holdings," "we," "us," "our" or similar terms refer only to DIRECTV Holdings and not to our parent, DIRECTV Group, or DIRECTV or any of our subsidiaries;

references to the "Co-Issuer" shall mean DIRECTV Financing, and references to the "Issuers" shall mean the Issuer and the Co-Issuer together;

references to "Parent" shall mean our parent, DIRECTV, our indirect parent and a Delaware corporation, and its successors, in each case together with each direct or indirect Subsidiary of Parent that beneficially owns any of our Equity Interests;

references to "Parent Guarantor" means DIRECTV, a Delaware corporation, and any of its successors which expressly assume the guarantee of Parent; and

references to "Guarantors" shall mean the Parent Guarantor and any of our Subsidiaries that guarantee the notes and their respective successors and assigns.

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 notes are subject to all such terms, and holders of notes should refer to the indenture and the Trust Indenture Act for a statement thereof.

**Brief description of the notes and the guarantees**

*The notes*

The notes will be:

general unsecured obligations of the Issuers;

ranked equally in right of payment with all of the Issuers' existing and future senior debt, including the Existing Notes and the Senior Revolving Credit Facility;



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ranked senior in right of payment to all of the Issuers' future subordinated debt, if any;

ranked effectively junior to (i) all debt and other liabilities (including trade payables) of our Subsidiaries (if any) that are not Guarantors, (ii) all debt and other liabilities (including trade payables) of any Guarantor if such Guarantor's Guarantee is subordinated or avoided by a court of competent jurisdiction, and (iii) all secured obligations to the extent of the collateral securing such obligations; and

fully and unconditionally guaranteed by the Guarantors.

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Although the notes are titled "senior," we have not issued, and do not currently have any plans to issue, any indebtedness to which the notes would be senior.

The notes will be issued in minimum denominations of £100,000 and integral multiples of £1,000 in excess thereof.

***The guarantees***

The notes will be guaranteed by the Guarantors, which currently include the Parent Guarantor and all of our material direct and indirect Domestic Subsidiaries other than the Co-Issuer. The Guarantors are the same entities that currently guarantee the Senior Revolving Credit Facility (other than the Parent Guarantor who does not currently guarantee the Senior Revolving Credit Facility) and the Existing Notes. The Guarantees will be:

general unsecured obligations of each Guarantor;

ranked equally in right of payment with all existing and future senior debt of such Guarantor, including such Guarantor's guarantee of the Existing Notes and, except for the Parent Guarantor, the Senior Revolving Credit Facility;

ranked senior in right of payment to all future subordinated debt of such Guarantor, if any; and

ranked effectively junior to secured obligations to the extent of the collateral securing such obligations.

Each Guarantor will jointly and severally guarantee the Issuers' obligations under the notes and the indenture. The obligations of each Guarantor under its Guarantee will be limited as necessary to prevent such Guarantee from constituting a fraudulent conveyance or fraudulent transfer under applicable law. See "Risk Factors Risks related to the notes A court may void the guarantees of the notes or subordinate the guarantees to other obligations of the subsidiary guarantors." Each Guarantor that makes a payment or distribution under a Guarantee will be entitled to a *pro rata* contribution from each other Guarantor based on the net assets of each other Guarantor.

Each Guarantor (other than the Parent Guarantor) may consolidate with or merge into or sell its assets to us or another Guarantor, or with or to other persons upon the terms and conditions set forth in the indenture. A Guarantor (other than the Parent Guarantor) may not sell or otherwise dispose of all or substantially all of its assets, or consolidate with or merge with or into another person (whether or not such Guarantor is the surviving person), unless certain conditions are met. See " Certain covenants Merger, consolidation or sale of assets."

The Guarantee of a Guarantor will be deemed automatically discharged and released in accordance with the terms of the indenture:

- (1) in connection with any direct or indirect sale, conveyance or other disposition of all of the capital stock or all or substantially all of the assets of that Guarantor (including by way of merger or consolidation);
- (2) if such Guarantor is dissolved or liquidated in accordance with the provisions of the indenture;
- (3) in the case of any Guarantor other than the Parent Guarantor, if such Guarantor no longer guarantees or is otherwise obligated under the Senior Revolving Credit Facility or the Existing Notes;
- (4) in the case of the Parent Guarantor's Guarantee only, the Issuer ceases for any reason to be a "wholly owned subsidiary" (as such term is defined in Rule 1-02(aa) of Regulation S-X promulgated by the Commission) of the Parent Guarantor; or

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(5) upon any Legal Defeasance of the indenture.

**Principal, maturity and interest**

The 4.375% Senior Notes due 2029 (the "*notes*") will be issued in an aggregate principal amount of £750,000,000. The notes are referred to herein as a "*series*" of notes. Additional notes of any series may be issued under the indenture from time to time in an unlimited amount. Any additional notes will be part of the same series as the applicable series of notes offered hereby and will vote on all matters with the notes of such series offered in this offering. The notes will mature on September 14, 2029.

Interest on each series of notes will accrue at the applicable rate *per annum* set forth on the cover page of this prospectus supplement, and will be payable annually in cash on September 14, beginning September 14, 2013, to holders of record as at the close of the business day prior to the interest payment date. 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 issuance. If the scheduled interest payment date is not a business day, then interest will be paid on the first business day following the scheduled interest payment date. Interest periods are unadjusted. The day count convention is ACTUAL/ACTUAL (ICMA).

**Issuance in sterling**

Initial holders will be required to pay for the notes in Sterling, and principal and interest payments in respect of the notes will be payable in Sterling. If, on or after the date of this prospectus supplement, the United Kingdom adopts euro, in lieu of Sterling, as its lawful currency, the notes will be redenominated in euro on a date determined by us, with a principal amount for each note equal to the principal amount of that note in Sterling, converted into euro at the rate established by the applicable law; provided that, if we determine that the then current market practice in respect of the redenomination into euro of internationally offered securities is different from the provisions specified above, such provisions will be deemed to be amended so as to comply with such market practice and we will promptly notify the trustee and the paying agent of such deemed amendment. We will give 30 days' notice of the redenomination date to the Paying Agent, the Trustee, Euroclear and Clearstream.

If Sterling or, in the event the notes are redenominated in euro, euro is unavailable to us due to the imposition of exchange controls or other circumstances beyond our control (other than due to the circumstances described in the preceding paragraph), then all payments in respect of the notes will be made in U.S. dollars until Sterling or euro, as the case may be, is again available to us. The amount payable on any date in Sterling or, in the event the notes are redenominated in euro, euro will be converted to U.S. dollars on the basis of the then most recently available market exchange rate for Sterling or euro, as the case may be. Any payment in respect of the notes so made in U.S. dollars will not constitute an event of default under the indenture. Neither the Trustee nor the Paying Agent shall be responsible for obtaining exchange rates, effecting conversions or otherwise handling redenominations.

**Business Day**

The term "business day" means any day other than a Saturday or Sunday or a day on which banking institutions in the City of New York or the City of London are authorized or required by law or executive order to close.

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**Optional redemption**

At any time and from time to time we may redeem all or any portion of the notes of any series outstanding at a redemption price (calculated by us) equal to the greater of:

100% of the aggregate principal amount of the notes to be redeemed, and

an amount equal to the sum of the present values of the remaining scheduled payments of principal of and interest on the notes to be redeemed (excluding accrued and unpaid interest to the redemption date and subject to the right of holders on the relevant record date to receive interest due on the relevant interest payment date) discounted from their scheduled date of payment to the redemption date on an annual basis (ACTUAL/ACTUAL (ICMA)) using a discount rate equal to the Comparable Government Bond Rate plus 35 basis points,

plus, in each of the above cases, accrued and unpaid interest, if any, to such redemption date.

"Comparable Government Bond Rate" means the price, expressed as a percentage (rounded to three decimal places, 0.0005 being rounded upwards), at which the gross redemption yield on the notes, if they were to be purchased at such price on the third business day prior to the date fixed for redemption, would be equal to the gross redemption yield on such business day of the Comparable Government Bond (as defined below) on the basis of the middle market price of the Comparable Government Bond prevailing at 11:00 a.m. (London time) on such business day as determined by an independent investment bank selected by us.

"Comparable Government Bond" means, in relation to any Comparable Government Bond Rate calculation, at the discretion of an independent investment bank selected by us, a United Kingdom government bond whose maturity is closest to the maturity of the notes, or if such independent investment bank in its discretion considers that such similar bond is not in issue, such other United Kingdom government bond as such independent investment bank may, with the advice of three brokers of, and/or market makers in, United Kingdom government bonds selected by such independent investment bank, determine to be appropriate for determining the Comparable Government Bond Rate.

On and after the redemption date, interest will cease to accrue on the notes or any portion of the notes called for redemption (unless we default in the payment of the redemption price and accrued interest). On or before the redemption date, we will deposit with the trustee money sufficient to pay the redemption price of and (unless the redemption date shall be an interest payment date) accrued and unpaid interest to the redemption date on the notes to be redeemed on such date. If less than all of the notes are to be redeemed, the notes to be redeemed shall be selected by the Trustee from the outstanding Notes not previously called for redemption in compliance with the requirements of the principal national securities exchange on which such Notes are listed, or if not so listed, on a pro rata basis, by lot and in accordance with applicable depositary procedures. Additionally, we may at any time repurchase notes in the open market and may hold or surrender such notes to the trustee for cancellation.

The notes are also subject to redemption prior to maturity if certain events occur involving United States taxation. If any of these special tax events do occur, the notes may be redeemed at a redemption price of 100% of their principal amount plus accrued and unpaid interest to, but not including, the date fixed for redemption. See " Redemption for tax reasons."

**Payment of additional amounts**

We will, subject to the exceptions and limitations set forth below, pay as additional interest on the notes such additional amounts as are necessary in order that the net payment by us or a paying agent of the principal of and interest on the notes to a holder who is not a United States person (as defined

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below), after withholding or deduction for any present or future tax, assessment or other governmental charge imposed by the United States or a taxing authority in the United States will not be less than the amount provided in the notes to be then due and payable; provided, however, that the foregoing obligation to pay additional amounts shall not apply:

(1) to any tax, assessment or other governmental charge that would not have been imposed but for the holder, or a fiduciary, settlor, beneficiary, member or shareholder of the holder if the holder is an estate, trust, partnership or corporation, or a person holding a power over an estate or trust administered by a fiduciary holder, being considered as:

(a) being or having been engaged in a trade or business in the United States or having or having had a permanent establishment in the United States;

(b) having a current or former connection with the United States (other than a connection arising solely as a result of the ownership of the notes, the receipt of any payment or the enforcement of any rights hereunder), including being or having been a citizen or resident of the United States;

(c) being or having been a personal holding company, a passive foreign investment company or a controlled foreign corporation with respect to the United States or a corporation that has accumulated earnings to avoid United States federal income tax;

(d) being or having been a "10-percent shareholder" of DIRECTV as defined in section 871(h)(3) of the United States Internal Revenue Code of 1986, as amended (the "Code") or any successor provision; or

(e) being a bank receiving payments on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business;

(2) to any holder that is not the sole beneficial owner of the notes, or a portion of the notes, or that is a fiduciary, partnership or limited liability company, but only to the extent that a beneficiary or settlor with respect to the fiduciary, a beneficial owner or member of the partnership or limited liability company would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment;

(3) to any tax, assessment or other governmental charge that would not have been imposed but for the failure of the holder or any other person to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of the notes, if compliance is required by statute, by regulation of the United States or any taxing authority therein or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;

(4) to any tax, assessment or other governmental charge that is imposed otherwise than by withholding by us or a paying agent from the payment;

(5) to any tax, assessment or other governmental charge that would not have been imposed but for a change in law, regulation, or administrative or judicial interpretation that becomes effective more than 15 days after the payment becomes due or is duly provided for, whichever occurs later;

(6) to any estate, inheritance, gift, sales, excise, transfer, wealth, capital gains or personal property tax or similar tax, assessment or other governmental charge;

(7) to any withholding or deduction that is imposed on a payment to an individual and that is required to be made pursuant to any law implementing or complying with, or introduced in order to conform to, any European Union Directive on the taxation of savings;

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(8) to any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment of principal or interest on any note, if such payment can be made without such withholding by at least one other paying agent;

(9) to any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the holder of any note, where presentation is required, for payment on a date more than 30 days after the date on which payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;

(10) to any withholding or deduction that is imposed on a payment pursuant to Sections 1471 through 1474 of the Code and related Treasury regulations and pronouncements (the Foreign Account Tax Compliance Act); or

(11) in the case of any combination of items (1), (2), (3), (4), (5), (6), (7), (8), (9) and (10).

The notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable to the notes. Except as specifically provided under this heading " Payment of Additional Amounts," we will not be required to make any payment for any tax, assessment or other governmental charge imposed by any government or a political subdivision or taxing authority of or in any government or political subdivision.

As used under this heading " Payment of additional amounts" and under the heading " Redemption for tax reasons", the term "United States" means the United States of America (including the states and the District of Columbia and any political subdivision thereof), and the term "United States person" means any individual who is a citizen or resident of the United States for U.S. federal income tax purposes, a corporation, partnership or other entity created or organized in or under the laws of the United States, any state of the United States or the District of Columbia (other than a partnership that is not treated as a United States person under any applicable Treasury regulations), or any estate or trust the income of which is subject to United States federal income taxation regardless of its source.

**Redemption for tax reasons**

If, as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated under the laws) of the United States (or any taxing authority in the United States), or any change in, or amendments to, an official position regarding the application or interpretation of such laws, regulations or rulings, which change or amendment is announced or becomes effective on or after the date of this prospectus supplement, we become or, based upon a written opinion of independent counsel selected by us, will become obligated to pay additional amounts as described herein under the heading " Payment of additional amounts" with respect to the notes, then we may at any time at our option redeem, in whole, but not in part, the notes on not less than 30 nor more than 60 days prior notice, at a redemption price equal to 100% of their principal amount, together with accrued and unpaid interest on those notes to, but not including, the date fixed for redemption.

**Change of control and rating decline**

Upon the occurrence of a Change of Control Triggering Event, we will be required to make an offer (a "*Change of Control Offer*") to each holder of notes to repurchase all or any part (equal to £1,000 or an integral multiple thereof) of such holder's notes at a purchase price equal to 101% of the aggregate principal amount thereof, together with accrued and unpaid interest thereon to the date of repurchase (the "*Change of Control Payment*"). Within 30 days following any Change of Control Triggering Event, we will be required to mail a notice to each holder stating:

- (1) that the Change of Control Offer is being made pursuant to the covenant entitled "Change of control and rating decline";

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- (2) the purchase price and the purchase date, which shall be no earlier than 30 days nor later than 45 days after the date such notice is mailed (the "*Change of Control Payment Date*");
- (3) that any notes not tendered will continue to accrue interest in accordance with the terms of the indenture;
- (4) that, unless we default in the payment of the Change of Control Payment, all notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest after the Change of Control Payment Date;
- (5) that holders will be entitled to withdraw their election if the paying agent receives, not later than the close of business on the second business day preceding the Change of Control Payment Date, a telegram, telex, facsimile transmission or letter setting forth the name of the holder, the principal amount of notes delivered for purchase, and a statement that such holder is unconditionally withdrawing its election to have such notes purchased;
- (6) that holders whose notes are being purchased only in part will be issued new notes equal in principal amount to the unpurchased portion of the notes surrendered, which unpurchased portion must be equal to £100,000 in principal amount or an integral multiple of £1,000 in excess thereof; and
- (7) any other information material to such holder's decision to tender notes.

We will not be required to make a Change of Control Offer following a Change of Control Triggering Event if a third party makes a 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 us and purchases all notes validly tendered and not withdrawn under such Change of Control Offer. Notwithstanding anything to the contrary herein, a Change of Control Offer may be made in advance of a Change of Control Triggering Event, conditional 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.

We will be required to comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of the notes required in the event of a Change of Control Triggering Event. Due to the terms of other indebtedness to which we and our Subsidiaries are or may in the future be subject, we may not be able to repurchase all of the notes tendered upon a Change of Control Triggering Event. See "Risk Factors Risks related to the notes We may be unable to purchase the notes upon a change of control triggering event." If we fail to repurchase all of the notes tendered for purchase upon a Change of Control Triggering Event, such failure will constitute an Event of Default. In addition, the terms of other indebtedness to which we may be subject may prohibit us from purchasing the notes or offering to purchase the notes, and a Change of Control Offer or a Change of Control Payment could trigger a default or event of default under the terms of such indebtedness. If we are unable to obtain the consent of the holders of any such other indebtedness to make a Change of Control Offer or make the Change of Control Payment or to repay such indebtedness, a Default or Event of Default may occur. See " Events of default."

Except as described above with respect to a Change of Control Triggering Event, the indenture will not contain any provisions that permit the holders of the notes to require that we repurchase or redeem the notes in the event of a takeover, recapitalization or similar transaction.

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**Certain covenants**

*Limitation on liens.* The indenture will provide that we shall not, and shall not permit any of our Subsidiaries to, directly or indirectly, create or assume any Indebtedness for borrowed money that is secured by a Lien on any asset now owned or hereafter acquired, or on any income or profits therefrom or assign or convey any right to receive income therefrom, except Permitted Liens.

*Limitation on sale and leasebacks.* The indenture will provide that we will not, and will not permit any of our Subsidiaries to, enter into any arrangement with any person pursuant to which we or any of our Subsidiaries leases any property that has been or is to be sold or transferred by us or our Subsidiaries to such person (a "Sale and Leaseback Transaction"), except that a Sale and Leaseback Transaction is permitted if we or such Subsidiary would be entitled to secure the property to be leased by a Lien (without equally and ratably securing the outstanding notes) in an amount equal to the present value of the lease payments with respect to the term of the lease remaining on the date as of which the amount is being determined, discounted at the rate of interest set forth or implicit in the terms of the lease, compounded semi-annually (such amount is referred to as the "Attributable Debt").

In addition, permitted Sale and Leaseback Transactions not subject to the limitation above and not included in calculating Attributable Debt for purposes of the provisions described in " Limitation on liens" above include:

temporary leases for a term, including renewals at the option of the lessee, of not more than three years;

leases between only us and a Subsidiary of ours or only between our Subsidiaries; and

leases of property executed by the time of, or within 18 months after the latest of, the acquisition, the completion of construction or improvement, or the commencement of commercial operation of the property.

*Limitation on activities of the co-issuer.* The indenture will provide that DIRECTV Financing may not hold any material assets, become liable for any material obligations, engage in any trade or business, or conduct any business activity, other than the issuance of Equity Interests to the Issuer or any Wholly Owned Subsidiary of the Issuer, the incurrence of Indebtedness as a co-obligor or guarantor of the notes, the Senior Revolving Credit Facility and any other Indebtedness incurred by the Issuer. Neither the Issuer nor any Subsidiary of the Issuer shall engage in any transactions with DIRECTV Financing in violation of the immediately preceding sentence.

*Additional subsidiary guarantees.* If any of our Domestic Subsidiaries, including any Domestic Subsidiary that we or any of our Subsidiaries may organize, acquire or otherwise invest in after the date of the indenture that is not a Guarantor guarantees or becomes otherwise obligated under the Senior Revolving Credit Facility or the Existing Notes, then such Domestic Subsidiary shall (i) execute and deliver to the Trustee a supplemental indenture in form reasonably satisfactory to the Trustee pursuant to which such Domestic Subsidiary shall unconditionally guarantee all of the Issuer's obligations under the notes and the indenture on the terms set forth in the indenture and (ii) deliver to the Trustee an opinion of counsel that such supplemental indenture has been duly authorized, executed and delivered by such Domestic Subsidiary and constitutes a legal, valid, binding and enforceable obligation of such Domestic Subsidiary. Thereafter, such Domestic Subsidiary shall be a Guarantor for all purposes of the indenture; *provided, however*, that to the extent that a Domestic Subsidiary is subject to any instrument governing Acquired Debt, as in effect at the time of acquisition thereof, that prohibits such Domestic Subsidiary from issuing a Guarantee, such Domestic Subsidiary shall not be required to execute such a supplemental indenture until it is permitted to issue such Guarantee pursuant to the terms of such Acquired Debt; *provided, further, however*, that any such Guarantee shall be released as provided under the last paragraph above under " The guarantees."



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*Merger, consolidation or sale of assets.* The indenture will provide that we shall not consolidate or merge with or into (whether or not we are the surviving entity), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of our properties or assets in one or more related transactions to, another person unless:

- (a) we are the surviving person or the person formed by or surviving any such consolidation or merger (if other than us) or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made is a corporation, limited partnership or limited liability company organized or existing under the laws of the United States, any state thereof or the District of Columbia;
- (b) the person formed by or surviving any such consolidation or merger (if other than us) or the person to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made assumes all our obligations pursuant to a supplemental indenture in form reasonably satisfactory to the Trustee, under the notes and the indenture; and
- (c) immediately after such transaction, no Default or Event of Default exists.

The indenture will provide that each Guarantor (other than the Parent Guarantor or any Guarantor whose Guarantee is to be released in accordance with the terms of such Guarantee and the indenture) will not, and we will not cause or permit any Guarantor to, consolidate or merge with or into (whether or not such Guarantor is the surviving entity), or 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, any person other than to us or a Guarantor unless:

- (a) the Guarantor is the surviving person or the person formed by or surviving any such consolidation or merger (if other than the Guarantor) or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made is a corporation, limited partnership or limited liability company organized or existing under the laws of the United States, any state thereof or the District of Columbia;
- (b) the person formed by or surviving any such consideration or merger (if other than the Guarantor) or the person to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made assumes all the obligations of the Guarantor, pursuant to a supplemental indenture in form reasonably satisfactory to the Trustee, under the notes and the indenture; and
- (c) immediately after such transaction, no Default or Event of Default exists.

Any successor to all or substantially all of the assets of the Parent Guarantor will not be required to provide a guarantee of the notes.

*Reports.* Whether or not required by the rules and regulations of the Commission, so long as any notes are outstanding, the indenture will provide that the Issuers will furnish to the holders of notes all quarterly and annual financial information that would be required to be contained in a filing with the Commission on Forms 10-Q and 10-K if the Issuers were required to file such forms, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" and, with respect to the annual information only, a report thereon by the independent registered public accounting firm of the Issuers; *provided, however*, that to the extent such reports are filed with the Commission and publicly available, no additional copies need be provided to holders of the notes. The Issuers will be deemed to have satisfied the requirements of this paragraph if (i) any Parent files and provides reports, documents and information of the types otherwise so required, in each case within the applicable time periods and (ii) the Issuers are not required to file such reports, documents and information separately under the applicable rules and regulations of the Commission (after giving effect to any exemptive relief) because of the filings by such Parent.

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**Events of default**

The indenture will provide that each of the following constitutes an Event of Default with respect to each series of notes:

- (a) default for 30 days in the payment when due of interest on the notes of such series;
- (b) default in payment when due of principal of or premium, if any, on the notes of such series at maturity, upon repurchase, redemption or otherwise;
- (c) failure to comply with the provisions described under " Change of control and rating decline" or " Certain covenants Merger, consolidation or sale of assets";
- (d) default under any other provision of the indenture or the notes of such series, which default remains uncured for 60 days after notice from the Trustee or the holders of at least 25% of the aggregate principal amount then outstanding of the notes of such series;
- (e) there shall occur any (i) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by us and any of our Subsidiaries (or the payment of which is guaranteed by us and any of our Subsidiaries) other than the indebtedness evidenced by the Existing Notes, which default is caused by a failure to pay the principal of such Indebtedness at the final stated maturity thereof within the grace period provided in such Indebtedness (a "Payment Default"), and the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default, aggregates \$100 million or more or (ii) "Event of Default" under and as defined in any indenture governing any of the Existing Notes (but only for so long as the Existing Notes issued thereunder remain outstanding and such "Event of Default" has not been cured or waived, in accordance with such indenture) whether or not any of the Existing Notes have been accelerated in accordance with the terms of the indentures governing the Existing Notes;
- (f) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by us and any of our Subsidiaries (or the payment of which is guaranteed by us or any of our Subsidiaries) other than the indebtedness evidenced by the Existing Notes, which default results in the acceleration of such Indebtedness prior to its express maturity not rescinded or cured within 30 days after such acceleration, and the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates \$100 million or more;
- (g) failure by us and any of our Subsidiaries to pay final judgments (other than any judgment as to which a reputable insurance company has accepted full liability) aggregating \$100 million or more, which judgments are not stayed within 60 days after their entry;
- (h) certain events of bankruptcy or insolvency with respect to DIRECTV Holdings, DIRECTV Financing or any Significant Subsidiary of DIRECTV Holdings (including the filing of a voluntary case, the consent to an order of relief in an involuntary case, the consent to the appointment of a custodian, a general assignment for the benefit of creditors or an order of a court for relief in an involuntary case, appointing a custodian or ordering liquidation, which order remains unstayed for 60 days); and
- (i) any Guarantee of a Significant Subsidiary with respect to the notes of such series shall be held in a judicial proceeding to be unenforceable or invalid or shall cease for any reason to be in full force and effect, or any Guarantor that qualifies as a Significant Subsidiary, or any person acting on behalf of any Guarantor that qualifies as a Significant Subsidiary, shall deny or disaffirm its obligations under its Guarantee of such series of notes.

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If any Event of Default occurs and is continuing, the Trustee or the holders of at least 25% of the aggregate principal amount then outstanding of the notes of any series may declare all the notes of such series to be due and payable immediately. Notwithstanding the foregoing, in the case of an Event of Default arising from the events of bankruptcy or insolvency with respect to DIRECTV Holdings or DIRECTV Financing described in clause (h) above, all outstanding notes will become due and payable without further action or notice. Holders of the notes may not enforce the indenture or the notes except as provided in the indenture. Subject to certain limitations, holders of a majority in principal amount of the then outstanding notes of any series may direct the Trustee in its exercise of any trust or power with respect to such series. The Trustee may withhold from holders of the notes notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal or interest) if it determines that withholding notice is in such holders' interest.

In the event the notes are accelerated as a result of an Event of Default specified in clause (e)(ii) above, such Event of Default and all consequences thereof (excluding any resulting payment default, other than as a result of the acceleration of the notes) shall be annulled, waived and rescinded, automatically and without action by the Trustee or the Holders, if (i) such rescission would not conflict with any judgment or decree and (ii) within 60 days following the occurrence of such Event of Default:

- (1) the applicable Existing Notes have been redeemed, repaid or discharged in full; or
- (2) the Trustee thereunder or the requisite holders thereof have rescinded or waived the acceleration, notice or action (as the case may be) giving rise to the Event of Default; or
- (3) the default that is the basis for the Event of Default has been cured.

The holders of a majority in aggregate principal amount then outstanding of the notes of any series, by notice to the Trustee, may on behalf of the holders of all of the notes of such series waive any existing Default or Event of Default and its consequences under the indenture, except a continuing Default or Event of Default in the payment of interest or premium on, or principal of, the notes of such series.

We will be required to deliver to the Trustee annually a statement regarding compliance with the indenture, and we will be required upon becoming aware of any Default or Event of Default to deliver to the Trustee a statement specifying such Default or Event of Default.

**No personal liability of directors, owners, employees, incorporators and stockholders**

No director, owner, officer, employee, incorporator or stockholder of us or any of our Affiliates, as such, shall have any liability for any obligations of us or any of our Affiliates under the notes, the Guarantees or the indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of notes by accepting a note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the notes. Such waiver may not be effective to waive liabilities under the federal securities laws and it is the view of the Commission that such a waiver is against public policy.

**Legal defeasance and covenant defeasance**

The indenture will provide that with respect to the notes of any series, we may, at our option and at any time, elect to have all obligations discharged with respect to the outstanding notes of such series ("*Legal Defeasance*"). Such Legal Defeasance means that we will be deemed to have paid and

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discharged the entire indebtedness represented by the outstanding notes of the applicable series, except for:

- (a) the rights of holders of outstanding notes to receive payments in respect of the principal of, premium, if any, and interest on the notes when such payments are due, or on the redemption date, as the case may be;
- (b) our obligations with respect to the notes concerning issuing temporary notes, registration of notes, mutilated, destroyed, lost or stolen notes and the maintenance of an office or agency for payment and money for security payments held in trust;
- (c) the rights, powers, trust, duties and immunities of the Trustee, and our obligations in connection therewith; and
- (d) the Legal Defeasance provisions of the indenture.

In addition, the indenture will provide that with respect to the notes of any series, we may, at our option and at any time, elect to have all obligations released with respect to certain covenants that are described in the indenture ("*Covenant Defeasance*") and thereafter any omission to comply with such obligations shall not constitute a Default or Event of Default with respect to the notes of such series. If Covenant Defeasance occurs, certain events (not including nonpayment, bankruptcy, receivership, rehabilitation and insolvency events) described under "Events of default" will no longer constitute an Event of Default with respect to the notes of the applicable series.

In order to exercise either Legal Defeasance or Covenant Defeasance, the indenture will provide that with respect to the notes of any series:

(i) we must irrevocably deposit with the Trustee, in trust, for the benefit of the holders of the notes of the applicable series, cash issued in the currency in which the notes of the applicable series are denominated, noncallable obligations of the government which issued the currency in which the notes of the applicable series are denominated, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, premium, if any, and interest on the outstanding notes of such series on the stated maturity or on the applicable optional redemption date, as the case may be;

(ii) in the case of Legal Defeasance, we shall have delivered to the Trustee an opinion of counsel in the United States reasonably acceptable to the Trustee confirming that:

(A) we have received from, or there has been published by, the Internal Revenue Service a ruling or

(B) since the date of the indenture, there has been a change in the applicable federal income tax law, in each case to the effect that, and based thereon such opinion of counsel shall confirm that, the holders of the notes of such series will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance, and will be subject to federal income tax in the same amount, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(iii) in the case of Covenant Defeasance, we shall have delivered to the Trustee an opinion of counsel reasonably acceptable to such Trustee confirming that the holders of the notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(iv) no Default or Event of Default shall have occurred and be continuing on the date of such deposit or insofar as Events of Default from bankruptcy or insolvency events are concerned, at any time in the period ending on the 91st day after the date of deposit;

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(v) such Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, the indenture or any other material agreement or instrument to which we or any of our Subsidiaries is a party or by which we or any of our Subsidiaries is bound;

(vi) we shall have delivered to the Trustee an officers' certificate stating that the deposit was not made by us with the intent of preferring the holders of the notes over any of our other creditors or with the intent of defeating, hindering, delaying or defrauding any of its other creditors or others; and

(vii) we shall have delivered to the Trustee an officers' certificate and an opinion of counsel stating that all conditions precedent provided for or relating to the Legal Defeasance or the Covenant Defeasance relating to the notes of such series have been complied with.

**Satisfaction and discharge**

The indenture will be discharged and will cease to be of further effect as to all outstanding notes of any series when:

(1) either:

(a) all the notes of such series, theretofore authenticated and delivered (except lost, stolen or destroyed notes which have been replaced or paid and notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Issuer and thereafter repaid to the Issuer or discharged from such trust) have been delivered to the Trustee for cancellation; or

(b) all notes of such series not theretofore delivered to the Trustee for cancellation have become due and payable or will become due and payable at their stated maturity within one year of the date of deposit or are to be called for redemption within one year and the Issuer has irrevocably deposited or caused to be deposited with the Trustee funds in an amount sufficient to pay and discharge the entire Indebtedness on the notes of such series not theretofore delivered to the Trustee for cancellation, for principal of, premium, if any, and interest on the notes of such series to the date of deposit together with irrevocable instructions from the Issuer directing the Trustee to apply such funds to the payment thereof at maturity or redemption, as the case may be;

(2) the Issuer has paid all other sums payable under the indenture by the Issuer; and

(3) the Issuer has delivered to the Trustee an officers' certificate and an opinion of counsel stating that all conditions precedent under the indenture relating to the satisfaction and discharge of the indenture with respect to such series of notes have been complied with; *provided, however*, that such counsel may rely, as to matters of fact, on a certificate or certificates of officers of the Issuer.

**Amendment, supplement and waiver**

Except as provided in the next paragraph, the Issuers and the Trustee may enter into an indenture or supplemental indenture for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the indenture or modifying in any manner the rights of the holders of the notes of any series issued thereunder with the consent of the holders of not less than a majority of the aggregate principal amount of notes of such series then outstanding (including consents obtained in connection with a tender offer or exchange for notes of such series), and any existing default or compliance with any provision of the indenture or the notes of such series may be waived with the consent of the holders of a majority of the aggregate principal amount of notes of such series then outstanding (including consents obtained in connection with a tender offer or exchange for the notes).

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Without the consent of each holder affected, however, an amendment or waiver may not (with respect to any note held by a nonconsenting holder):

- (1) change the maturity of the principal of, or any installment of principal of or interest on, any series of notes;
- (2) reduce the principal amount of notes of any series which would be due and payable upon a declaration of acceleration of the maturity thereof, or reduce the rate of interest on any series of notes or alter the provisions with respect to the amount of redemption premium on the notes;
- (3) change the coin or currency in which the principal of or premium, if any, or interest on any series of notes is payable;
- (4) impair the right of any holder of notes to institute suit for the enforcement of any such payment on or after the maturity of the note (or, in the case of redemption, on or after the redemption date);
- (5) reduce the percentage in principal amount of the notes of any series, the consent of whose holders is required for any such supplemental indenture, or the consent of whose holders is required for any waiver (of compliance with certain provisions of the indenture or certain defaults under the indenture and their consequences) provided for in the indenture;
- (6) modify any of the provisions relating to amendments to the indenture with the consent of holders of notes, to waivers of past Defaults or covenants or the rights of holders of notes to receive payments of principal of or interest on the notes, except to increase any such percentage or to provide that certain other provisions of this indenture cannot be modified or waived without the consent of the holder of each outstanding series of notes affected thereby; or
- (7) amend, change or modify in any material respect the obligation of the Issuer to make and consummate a Change of Control Offer in the event of a Change of Control Triggering Event after such Change of Control Triggering Event has occurred.

Notwithstanding the foregoing, without the consent of any holder of notes, the Issuers, the Guarantors and the Trustee may amend or supplement the indenture or the notes or the Guarantees to add to the covenants for the benefit of the holders of all or any series of notes or to surrender any right or power herein conferred upon the Issuers; to provide for the assumption of the obligations of the Issuers or any Guarantor to the holders of the notes in the case of a merger or consolidation; to add any additional Events of Default for the benefit of the holders of all or any series of notes; to add one or more guarantees for the benefit of holders of the notes; to secure the notes; to evidence and provide for the acceptance of appointment under the indenture by a successor Trustee with respect to the notes of one or more series and to add to or change any of the provisions of the indenture as shall be necessary to provide for or facilitate the administration of the trusts under the indenture by more than one Trustee; to comply with the rules of any applicable depository of the notes; to provide for uncertificated notes or Guarantees in addition to or in place of certificated notes or Guarantees (*provided* that the uncertificated notes are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated notes are described in Section 163(f)(2)(B) of the Code); to cure any ambiguity, defect or inconsistency; to comply with requirements of the Commission in order to effect or maintain the qualification hereof under the Trust Indenture Act; or to make any other change that would provide any additional rights or benefits to the holders of the notes of any series or that does not adversely affect the legal rights of any holder of notes of any series in any material respect.

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The consent of the noteholders is not necessary under the indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment.

**Concerning the trustee**

The indenture will contain certain limitations on the rights of the Trustee, if the Trustee becomes a creditor of us or our Subsidiaries, to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee will be permitted to engage in other transactions with the Issuers and their Subsidiaries; however, if the Trustee acquires any conflicting interest, it must eliminate such conflict within 90 days, apply to the Commission for permission to continue as Trustee or resign.

With respect to the notes of any series, the holders of a majority in principal amount of the then outstanding notes of such series will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. The indenture will provide that in case an Event of Default shall occur (which shall not be cured), the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent person in the conduct of his or her own affairs. The Trustee will not be relieved from liabilities for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

- (i) this sentence shall not limit the preceding sentence of this paragraph;
- (ii) the Trustee shall not be liable for any error of judgment made in good faith, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and
- (iii) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to the first sentence of this paragraph.

Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request of any holder of notes, unless such holder shall have offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

**Book-entry delivery and settlement**

We have obtained the information in this section concerning Clearstream and Euroclear and their book-entry systems and procedures from sources that we believe to be reliable. We take no responsibility for an accurate portrayal of this information. In addition, the description of the clearing systems in this section reflects our understanding of the rules and procedures of Clearstream and Euroclear as they are currently in effect. Those systems could change their rules and procedures at any time.

The notes will initially be represented by one or more fully registered global notes. Each such global note will be deposited with, or on behalf of, a common depository, and registered in the name of the nominee of the common depository for the accounts of Clearstream and Euroclear. You may hold your interests in the global notes in Europe through Clearstream or Euroclear, either as a participant in such systems or indirectly through organizations which are participants in such systems. Clearstream and Euroclear will hold interests in the global notes on behalf of their respective participating organizations or customers through customers' securities accounts in Clearstream's or Euroclear's names on the books of their respective depositories. Book-entry interests in the notes and all transfers relating to the notes will be reflected in the book-entry records of Clearstream and Euroclear.

The distribution of the notes will be cleared through Clearstream and Euroclear. Any secondary market trading of book-entry interests in the notes will take place through Clearstream and Euroclear

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participants and will settle in same-day funds. Owners of book-entry interests in the notes will receive payments relating to their notes in Sterling.

Clearstream and Euroclear have established electronic securities and payment transfer, processing, depository and custodial links among themselves and others, either directly or through custodians and depositories. These links allow securities to be issued, held and transferred among the clearing systems without the physical transfer of certificates. Special procedures to facilitate clearance and settlement have been established among these clearing systems to trade securities across borders in the secondary market.

The policies of Clearstream and Euroclear will govern payments, transfers, exchanges and other matters relating to the investor's interest in securities held by them. We have no responsibility for any aspect of the records kept by Clearstream or Euroclear or any of their direct or indirect participants. We also do not supervise these systems in any way.

Clearstream and Euroclear and their participants perform these clearance and settlement functions under agreements they have made with one another or with their customers. You should be aware that they are not obligated to perform or continue to perform these procedures and may modify them or discontinue them at any time.

Except as provided below, owners of beneficial interests in the notes will not be entitled to have the notes registered in their names, will not receive or be entitled to receive physical delivery of the notes in definitive form and will not be considered the owners or holders of the notes under the senior indenture, including for purposes of receiving any reports delivered by us or the trustee pursuant to the senior indenture. Accordingly, each person owning a beneficial interest in a note must rely on the procedures of the depository and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, in order to exercise any rights of a holder of notes.

***Clearstream***

Clearstream has advised that it is incorporated under the laws of Luxembourg and licensed as a bank and professional depository. Clearstream holds securities for its participating organizations and facilitates the clearance and settlement of securities transactions among its participants through electronic book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Clearstream provides to its participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream interfaces with domestic markets in several countries. Clearstream has established an electronic bridge with the Euroclear operator to facilitate the settlement of trades between Clearstream and Euroclear. As a registered bank in Luxembourg, Clearstream is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector. Clearstream customers are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations and may include the underwriters. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream participant, either directly or indirectly.

Distributions with respect to notes held beneficially through Clearstream will be credited to cash accounts of Clearstream participants in accordance with its rules and procedures.

***Euroclear***

Euroclear has advised that it was created in 1968 to hold securities for its participants and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry



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delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear includes various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A. /N.V. (the "Euroclear Operator"). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator. Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the underwriters. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related operating procedures of Euroclear, and applicable Belgian law (collectively, the "Terms and Conditions"). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear participants, and has no records of or relationship with persons holding through Euroclear participants.

Distributions with respect to the notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear participants in accordance with the Terms and Conditions.

***Clearance and settlement procedures***

We understand that investors that hold their notes through Clearstream or Euroclear accounts will follow the settlement procedures that are applicable to conventional eurobonds in registered form. Notes will be credited to the securities custody accounts of Clearstream and Euroclear participants on the business day following the settlement date, for value on the settlement date. They will be credited either free of payment or against payment for value on the settlement date.

We understand that secondary market trading between Clearstream and/or Euroclear participants will occur in the ordinary way following the applicable rules and operating procedures of Clearstream and Euroclear. Secondary market trading will be settled using procedures applicable to conventional eurobonds in registered form.

You should be aware that investors will only be able to make and receive deliveries, payments and other communications involving the notes through Clearstream and Euroclear on days when those systems are open for business. Those systems may not be open for business on days when banks, brokers and other institutions are open for business in the United States.

In addition, because of time-zone differences, there may be problems with completing transactions involving Clearstream and Euroclear on the same business day as in the United States. U.S. investors who wish to transfer their interests in the notes, or to make or receive a payment or delivery of the notes, on a particular day, may find that the transactions will not be performed until the next business day in Luxembourg or Brussels, depending on whether Clearstream or Euroclear is used.

Clearstream or Euroclear will credit payments to the cash accounts of Clearstream customers or Euroclear participants, as applicable, in accordance with the relevant system's rules and procedures, to the extent received by its depository. Clearstream or the Euroclear Operator, as the case may be, will take any other action permitted to be taken by a holder under the senior indenture on behalf of a Clearstream customer or Euroclear participant only in accordance with its relevant rules and procedures.

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Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of the notes among participants of Clearstream and Euroclear. However, they are under no obligation to perform or continue to perform those procedures, and they may discontinue those procedures at any time.

***Certificated notes***

Subject to certain conditions, the notes represented by the global notes are exchangeable for certificated notes in definitive form of like tenor in minimum denominations of £100,000 principal amount and multiples of £1,000 in excess thereof if:

- (1) the common depositary (A) notifies us that it is unwilling or unable to continue as depositary for the global notes or (B) has ceased to be a clearing agency registered under the Exchange Act and, in each case, a successor depositary is not appointed;
- (2) we, at our option, notify the Trustee in writing that we elect to cause the issuance of the certificated notes; or
- (3) there has occurred and is continuing an Event of Default with respect to the applicable series of notes.

In all cases, certificated notes delivered in exchange for any global note will be registered in the names, and issued in any approved denominations, requested by or on behalf of the common depositary (in accordance with its customary procedures).

***Same-day payment***

Payments (including principal, premium and interest) and transfers with respect to notes in certificated form may be executed at the office or agency maintained for such purpose within the City of London (initially the office of the paying agent maintained for such purpose) or, at our option, by check mailed to the holders thereof at the respective addresses set forth in the register of holders of the applicable notes, provided that all payments (including principal, premium and interest) on notes in certificated form, for which the holders thereof have given wire transfer instructions, will be required to be made by wire transfer of immediately available funds to the accounts specified by the holders thereof. No service charge will be made for any registration of transfer, but payment of a sum sufficient to cover any tax or governmental charge payable in connection with that registration may be required.

The paying agent for the notes will initially be The Bank of New York Mellon, London Branch

**Certain definitions**

Set forth below are certain defined terms used in the indenture. Reference is made to the indenture for a full disclosure of all such terms, as well as any other capitalized terms used herein for which no definition is provided.

"2014 Notes" means \$1,000 million of 4.750% Senior Notes due 2014 issued by us and DIRECTV Financing under an indenture dated as of September 22, 2009, as amended by the first supplemental indenture dated as of November 14, 2011.

"2015 Notes" means \$1,200 million of 3.550% Senior Notes due 2015 issued by us and DIRECTV Financing under an indenture dated as of March 11, 2010, as amended by the first supplemental indenture dated as of November 14, 2011.

"2016 Notes" means \$750 million of 3.125% Senior Notes due 2016 issued by us and DIRECTV Financing under an indenture dated as of August 17, 2010, as amended by the first supplemental indenture dated as of August 17, 2010, the second supplemental indenture dated as of March 10, 2011,

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the third supplemental indenture dated as of November 14, 2011 and the fourth supplemental indenture dated as of November 14, 2011.

"3.500% 2016 Notes" means \$1,500 million of 3.500% Senior Notes due 2016 issued by us and DIRECTV Financing under an indenture dated as of August 17, 2010, as amended by the first supplemental indenture dated as of August 17, 2010, the second supplemental indenture dated as of March 10, 2011, the third supplemental indenture dated as of November 14, 2011 and the fourth supplemental indenture dated as of November 14, 2011.

"2017 Notes" means \$1,250 million of 2.400% Senior Notes due 2017 issued by us and DIRECTV Financing under an indenture dated as of March 8, 2012.

"2019 Notes" means \$1,000 million of 5.875% Senior Notes due 2019 issued by us and DIRECTV Financing under an indenture dated as of September 22, 2009, as amended by the first supplemental indenture dated as of November 14, 2011.

"2020 Notes" means \$1,300 million of 5.200% Senior Notes due 2020 issued by us and DIRECTV Financing under an indenture dated as of March 11, 2010, as amended by the first supplemental indenture dated as of November 14, 2011.

"2021 Notes" means \$1,000 million of 4.600% Senior Notes due 2021 issued by us and DIRECTV Financing under an indenture dated as of August 17, 2010, as amended by the first supplemental indenture dated as of August 17, 2010, the second supplemental indenture dated as of March 10, 2011, the third supplemental indenture dated as of November 14, 2011 and the fourth supplemental indenture dated as of November 14, 2011.

"5.000% 2021 Notes" means \$1,500 million of 5.000% Senior Notes due 2021 issued by us and DIRECTV Financing under an indenture dated as of August 17, 2010, as amended by the first supplemental indenture dated as of August 17, 2010, the second supplemental indenture dated as of March 10, 2011, the third supplemental indenture dated as of November 14, 2011 and the fourth supplemental indenture dated as of November 14, 2011.

"2022 Notes" means \$1,500 million of 3.800% Senior Notes due 2022 issued by us and DIRECTV Financing under an indenture dated as of March 8, 2012.

"2040 Notes" means \$500 million of 6.350% Senior Notes due 2040 issued by us and DIRECTV Financing under an indenture dated as of March 11, 2010, as amended by the first supplemental indenture dated as of November 14, 2011.

"6.000% 2040 Notes" means \$1,250 million of 6.000% Senior Notes due 2040 issued by us and DIRECTV Financing under an indenture dated as of August 17, 2010, as amended by the first supplemental indenture dated as of August 17, 2010, the second supplemental indenture dated as of March 10, 2011, the third supplemental indenture dated as of November 14, 2011 and the fourth supplemental indenture dated as of November 14, 2011.

"2041 Notes" means \$1,000 million of 6.375% Senior Notes due 2041 issued by us and DIRECTV Financing under an indenture dated as of August 17, 2010, as amended by the first supplemental indenture dated as of August 17, 2010, the second supplemental indenture dated as of March 10, 2011, the third supplemental indenture dated as of November 14, 2011 and the fourth supplemental indenture dated as of November 14, 2011.

"2042 Notes" means \$1,250 million of 5.150% Senior Notes due 2042 issued by us and DIRECTV Financing under an indenture dated as of March 8, 2012.

"Acquired Debt" means, with respect to any specified person, Indebtedness of any other person existing at the time such other person merges with or into or becomes a Subsidiary of such specified person, or Indebtedness incurred by such person in connection with the acquisition of assets, in each

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case so long as such Indebtedness was not incurred in connection with, or in contemplation of, such other person merging with or into or becoming a Subsidiary of such specified person or the acquisition of such assets, as the case may be.

"*Affiliate*" of any specified person means any other person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person, whether through the ownership of voting securities, by agreement or otherwise; *provided, however*, that no individual, other than a director of Parent or us or their or our respective Subsidiaries or an officer of Parent or us or their or our respective Subsidiaries with a policy making function, shall be deemed an Affiliate of us or any of our Subsidiaries solely by reason of such individual's employment, position or responsibilities by or with respect to Parent, us or any of their or our respective Subsidiaries.

"*Board of Directors*" means (a) with respect to any person that is a corporation, the Board of Directors of such person or any duly authorized committee thereof and (b) as to any other person, the functionally comparable body of such person or any duly authorized committee thereof.

"*Capital Lease Obligations*" means, as to any person, the obligations of such person under a lease that are required to be classified and accounted for as capital lease obligations under GAAP and, for purposes of this definition, the amount of such obligations at the time any determination thereof is to be made shall be the amount of the liability in respect of a capital lease that would at such time be so required to be capitalized on a balance sheet in accordance with GAAP.

"*Capital Stock*" means any and all shares, interests, participations, rights or other equivalents, however designated, of corporate stock or partnership or membership interests, whether common or preferred.

"*Change of Control*" means the occurrence of any one of the following:

- (1) the consummation of any transaction (including without limitation, any merger or consolidation) the result of which is that any person (including any "person" (as that term is used in Section 13(d)(3) of the Exchange Act)) other than a Parent Company becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of our outstanding Voting Stock, measured by voting power rather than number of shares;
- (2) the first day on which the majority of the members of our Board of Directors cease to be Continuing Directors; or
- (3) the adoption of a plan relating to the liquidation or dissolution of us.

"*Change of Control Triggering Event*" means the occurrence of both a Change of Control and a Ratings Decline.

"*Consolidated Net Tangible Assets*" of any person means, for any period, the total amount of assets (less applicable reserves and other properly deductible items) after deducting (1) all current liabilities and (2) all goodwill, trade names, trademarks, patents, unamortized debt discount and expense and other intangibles, all as set forth on our most recent consolidated balance sheet and computed in accordance with GAAP.

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

- (1) was a member of such Board of Directors on the date of the indenture; or

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(2) was nominated for election or elected to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination or election.

"*Default*" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"*Domestic Subsidiaries*" shall mean all Subsidiaries incorporated, formed or organized under the laws of the United States of America, any State thereof or the District of Columbia.

"*Equity Interests*" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"*Existing Notes*" means the 2014 Notes, the 2015 Notes, the 2016 Notes, the 3.500% 2016 Notes, the 2017 Notes, the 2019 Notes, the 2020 Notes, the 2021 Notes, the 5.000% 2021 Notes, the 2022 Notes, the 2040 Notes, the 6.000% 2040 Notes, 2041 Notes and the 2042 Notes.

"*Existing Satellites*" means the following satellites: DIRECTV 1R, DIRECTV 4S, DIRECTV 5, DIRECTV 7S, DIRECTV 8, DIRECTV 9S, DIRECTV 10, DIRECTV 11, DIRECTV 12, Spaceway 1 and Spaceway 2.

"*Fitch*" means Fitch Inc., a subsidiary of Fimalac, S.A., and its successors.

"*Foreign Currency Obligations*" means, with respect to any person, the obligations of such person pursuant to any foreign exchange contract, currency swap agreement or other similar agreement or arrangement designed to protect the Issuer or any Subsidiary of the Issuer against fluctuations in currency values.

"*GAAP*" means United States generally accepted accounting principles set forth in the Accounting Standards Codification of the Financial Accounting Standards Board or in such other statements by such other entity as may be approved by a significant segment of the accounting profession of the United States, which are applicable as of the date of determination; provided that, except as otherwise specifically provided, all calculations made for purposes of determining compliance with the terms of the provisions of the indenture shall utilize GAAP as in effect on the date of the indenture.

"*guarantee*" means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including, without limitation, letters of credit and reimbursement agreements in respect thereof), of all or any part of any Indebtedness.

"*Guarantee*" means a guarantee by a Guarantor of the notes.

"*Hedging Obligations*" means, with respect to any person, the obligations of such person pursuant to any arrangement with any other person, whereby, directly or indirectly, such person is entitled to receive from time to time periodic payments calculated by applying either floating or a fixed rate of interest on a stated notional amount in exchange for periodic payments made by such other person calculated by applying a fixed or a floating rate of interest on the same notional amount and shall include, without limitation, interest rate swaps, caps, floors, collars and similar agreements designed to protect such person against fluctuations in interest rates.

"*Indebtedness*" means, with respect to any person, any indebtedness of such person, whether or not contingent, in respect of borrowed money or evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof) or representing the balance deferred and unpaid of the purchase price of any property (including pursuant to capital leases) or representing any Hedging Obligations or Foreign Currency Obligations, except any such balance that constitutes an accrued expense or trade payable, if and to the extent any of the foregoing (other than Hedging Obligations or Foreign Currency Obligations) would appear as a liability upon a

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balance sheet of such person prepared in accordance with GAAP, and also includes the guarantee of items that would be included within this definition.

"*Investment Grade*" means a rating of Baa3 or better by Moody's (or its equivalent under any successor rating category of Moody's); a rating of BBB- or better by S&P (or its equivalent under any successor rating category of S&P); and a rating of BBB- or better by Fitch (or its equivalent under any successor rating category of Fitch). In the event that we shall select any other Rating Agency, the equivalent of such ratings by such Rating Agency shall be used.

"*Liberty Transaction*" means the mergers completed in accordance with the Agreement and Plan of Merger dated May 3, 2009, as amended, by and among The DIRECTV Group, Inc., DIRECTV, Liberty Media Corporation, Liberty Entertainment, Inc. and several wholly-owned subsidiaries of DIRECTV.

"*Lien*" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent status) of any jurisdiction).

"*Parent Company*" means each of (a) DIRECTV and (b) any direct or indirect Subsidiary of Parent that owns any of our Capital Stock.

"*Permitted Liens*" means with respect to the notes of any series:

- (a) Liens securing the notes of such series and Liens securing any Guarantee of such notes;
- (b) Liens securing Purchase Money Indebtedness; provided that such Liens do not extend to any assets of us or our Subsidiaries other than the assets so acquired;
- (c) Liens to secure Indebtedness 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 or the purchase price or construction, improvement or launch of satellites (other than Existing Satellites) for use in our business or the business of any Subsidiary; provided that such Liens do not apply to any assets other than the property acquired, constructed or improved or the satellite constructed, improved or launched (and in the case of any such satellite, other than any Existing Satellite, the related orbital slots, licenses and other related assets);
- (d) Liens on property of a person existing at the time such person is merged into or consolidated with us or any Subsidiary of the Issuer; provided that such Liens were not incurred in connection with, or in contemplation of, such merger or consolidation, other than in the ordinary course of business;
- (e) Liens on property of a Subsidiary of the Issuer at the time that it becomes a Subsidiary of the Issuer pursuant to the terms of the indenture; provided that such Liens were not incurred in connection with, or contemplation of, becoming a Subsidiary of the Issuer;
- (f) Liens on property existing at the time of acquisition thereof by us or any Subsidiary of us; provided that such Liens were not incurred in connection with, or in contemplation of, such acquisition and do not extend to any assets of us or any Subsidiary of the Issuer other than the property so acquired;
- (g) Liens to secure the performance of statutory obligations, surety or appeal bonds or performance bonds, or landlords', carriers', warehousemen's, mechanics', suppliers', materialmen's or other like Liens, in any case incurred in the ordinary course of business and with respect to amounts not yet delinquent or being contested in good faith by appropriate process of law, if a

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reserve or other appropriate provision, if any, as is required by GAAP shall have been made therefor;

(h) Liens existing on the date of the indenture securing Indebtedness existing on the date of the indenture;

(i) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; provided that any reserve or other appropriate provision as shall be required in conformity with GAAP shall have been made therefor;

(j) any interest or title of a lessor under any Capital Lease Obligations;

(k) Liens (other than Liens created or imposed under ERISA) incurred or deposits made by us or any of our Subsidiaries in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money);

(l) easements, rights-of-way, covenants, restrictions (including zoning restrictions), minor defects or irregularities in title and other similar charges or encumbrances not, in any material respect, impairing the use of the encumbered property for its intended purposes;

(m) normal and customary rights of setoff upon deposits of cash in favor of banks or other depository institutions;

(n) Liens not provided for in clauses (a) through (m) above securing Indebtedness incurred in compliance with the terms of the indenture so long as the notes of such series are secured by the assets subject to such Liens on an equal and ratable basis or on a basis prior to such Liens; provided that to the extent that such Lien secured Indebtedness that is subordinated to the notes of such series, such Lien shall be subordinated to and be later in priority than the notes of such series on the same basis;

(o) extensions, renewals or refundings of any Liens referred to in clauses (a) through (n) above; provided that any such extension, renewal or refunding does not extend to any assets or secure any Indebtedness not securing or secured by the Liens being extended, renewed or refinanced; and

(p) other Liens arising in connection with our Indebtedness and our Subsidiaries' Indebtedness, in an aggregate principal amount for us and our Subsidiaries together with the amount of Attributable Indebtedness incurred in connection with Sale and Leaseback Transactions, not exceeding at the time such lien is issued, created or assumed 15% of our Consolidated Net Tangible Assets.

"*person*" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust or unincorporated organization (including any subdivision or ongoing business of any such entity or substantially all of the assets of any such entity, subdivision or business).

"*Purchase Money Indebtedness*" means (i) Indebtedness incurred (within 365 days of such purchase) to finance the purchase of any assets (including the purchase of Equity Interests of Persons that are not Affiliates of the Company or the Guarantors): (a) to the extent the amount of Indebtedness thereunder does not exceed 100% of the purchase cost of such assets; and (b) so long as such Indebtedness is without recourse to the Company or any of its Subsidiaries or any of their respective assets, other than

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to the assets so purchased; or (ii) Indebtedness which refinances Indebtedness referred to in clause (i) of this definition; *provided* that such refinancing satisfies subclauses (a) and (b) of such clause (i).

"*Rating Agency*" means each of Moody's, S&P and Fitch; *provided*, that if any of Moody's, S&P and Fitch ceases to provide rating services to issuers or investors, we may appoint a replacement for such Rating Agency that is reasonably acceptable to the trustee under the indenture.

"*Ratings Decline*" means within 60 days after the earlier of, (i) the occurrence of a Change of Control or (ii) public notice of the occurrence of a Change of Control or the intention by us or any Parent Company to effect a Change of Control (which period shall be extended so long as the rating of the notes is under publicly announced consideration for a possible downgrade by any of the Rating Agencies) (the "*Trigger Period*"), the rating of the notes shall be reduced by at least two Rating Agencies and the notes shall be rated below Investment Grade by each of the Rating Agencies. Unless at least two of the three Rating Agencies are providing a rating for the notes at the commencement of any Trigger Period, the notes will be deemed to have had a Ratings Decline to below Investment Grade by at least two of the three Rating Agencies during that Trigger Period.

"*Senior Revolving Credit Facility*" means any credit agreement to which the Issuer and/or one or more of its Domestic Subsidiaries is party from time to time including without limitation the credit agreement dated as of February 7, 2011 by and among the Issuer, as borrower, Citibank, N.A., as administrative agent, the lenders party thereto from time to time, Barclays Capital Inc., as syndication agent, Credit Suisse Securities (USA) LLC, J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, The Royal Bank of Scotland plc and UBS AG, Stamford Branch as co-documentation agents, and Citigroup Global Markets Inc., Barclays Capital Inc., Credit Suisse Securities (USA) LLC, J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, RBS Securities Inc. and UBS AG, Stamford Branch as joint lead arrangers and joint bookrunners, together with the related documents thereto (including, without limitation, any guarantee agreements and security documents), in each case as such agreements may be amended (including any amendment and restatement thereof), supplemented or otherwise modified from time to time, including any agreement exchanging, extending the maturity of, refinancing, renewing, replacing, substituting or otherwise restructuring, whether in the bank or debt capital markets (or combination thereof) (including increasing the amount of available borrowings thereunder or adding Subsidiaries as additional borrowers or guarantors thereunder) all or any portion of the Indebtedness under such agreement or any successor or replacement agreement and whether by the same or any other agent, lender or group of lenders.

"*Significant Subsidiary*" means any Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X promulgated pursuant to the Securities Act, as such regulation is in effect on the date of the indenture.

"*Subsidiary*" or "*Subsidiaries*" means, with respect to any person, any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such person or one or more of the other Subsidiaries of such person or a combination thereof.

"*Voting Stock*" with respect to any person, means securities of any class of Capital Stock of such person entitling the holders thereof (whether at all times or only so long as no senior class of stock or other relevant equity interest has voting power by reason of any contingency) to vote in the election of members of the Board of Directors of such person.

"*Wholly Owned Subsidiary*" means, with respect to any person, any Subsidiary all of the outstanding voting stock (other than directors' qualifying shares) of which is owned by such person, directly or indirectly.



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**CERTAIN UNITED STATES FEDERAL TAX CONSIDERATIONS**

The following generally summarizes certain U.S. federal income and, to a limited extent under the caption "Non-U.S. Holders," estate tax aspects of the acquisition, ownership and disposition of the notes. This discussion is a summary for general information only and does not consider all aspects of U.S. federal income taxation that may be relevant to the acquisition, ownership and disposition of the notes by a prospective investor in light of his, her or its personal circumstances. This discussion is limited to the U.S. federal income tax consequences to persons who are beneficial owners of the notes and who hold the notes as capital assets within the meaning of Section 1221 of the U.S. Internal Revenue Code of 1986, as amended (the "Code"). This discussion does not address the U.S. federal income tax consequences to investors subject to special treatment under the U.S. federal income tax laws, such as dealers in securities or foreign currency, brokers, traders that mark-to-market their securities, tax-exempt entities, banks, thrifts, insurance companies, persons that hold the notes as part of a "straddle," as part of a "hedge" against currency risk, or as part of a "conversion transaction," U.S. Holders (as defined below) that have a "functional currency" other than the U.S. dollar, regulated investment companies, real estate investment trusts, expatriates and former long-term residents of the United States, U.S. persons subject to the alternative minimum tax, partnerships, other pass-through entities and investors in pass-through entities that hold the notes. In addition, this discussion is generally limited to the tax consequences to initial holders that purchase the notes at their "issue price," which for this purpose is the first price at which a substantial amount of the notes are sold, excluding sales to bond houses, brokers or similar persons acting in the capacity of underwriters, placement agents or wholesalers. This discussion does not describe any tax consequences arising out of the tax laws of any state, local or foreign jurisdiction, or, except to a limited extent under the caption "Non-U.S. Holders," any possible applicability of the U.S. federal gift or estate tax law, nor does it address the recently enacted Medicare tax with respect to certain investment income. In addition, for U.S. federal income tax purposes only, the notes will be treated as issued by DIRECTV Group and references in this discussion under the caption "Certain United States federal tax considerations" to "we," "us," and "our" are to DIRECTV Group.

This summary is based upon current provisions of the Code, existing and proposed Treasury regulations thereunder, and current administrative rulings and court decisions, all as in effect on the date hereof. All of the foregoing are subject to change, possibly on a retroactive basis, and any such change could affect the continuing validity of this discussion. We have not sought and will not seek any rulings from the IRS regarding the matters discussed below. There can be no assurance that the IRS will not take positions concerning the tax consequences of the acquisition, ownership and disposition of the notes that are different from those discussed below.

**PERSONS CONSIDERING THE PURCHASE OF NOTES SHOULD CONSULT THEIR OWN TAX ADVISORS CONCERNING THE APPLICATION OF U.S. FEDERAL INCOME, MEDICARE, ESTATE AND GIFT TAX LAWS, AS WELL AS THE LAW OF ANY STATE, LOCAL OR FOREIGN TAXING JURISDICTION, TO THEIR PARTICULAR SITUATIONS.**

**U.S. Holders**

For purposes of the following discussion, a "U.S. Holder" is a beneficial owner of a note that is, for U.S. federal income tax purposes:

an individual who is a citizen or resident of the United States, including an alien resident who is a lawful permanent resident of the United States or meets the "substantial presence" test under Section 7701(b) of the Code;

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

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an estate whose income is includible in gross income for U.S. federal income tax purposes regardless of its source; or

a trust, if (i) a U.S. court is able to exercise primary supervision over administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (ii) it has a valid election in effect under applicable Treasury regulations to be treated as a U.S. person.

*Stated Interest.* Interest on a note will be taxable to a U.S. Holder as ordinary interest income at the time it accrues or is received in accordance with such holder's method of accounting for U.S. federal income tax purposes.

U.S. Holders that use the cash receipts and disbursements method of accounting for tax purposes must recognize income equal to the U.S. dollar value of the Sterling received as a payment of interest (which includes proceeds in Sterling from a sale, exchange, or other disposition of the notes to the extent attributable to accrued interest), determined by translating the Sterling amount into U.S. dollars at the spot rate in effect on the date of receipt, regardless of whether the Sterling received is actually converted into U.S. dollars. U.S. Holders that use an accrual method of accounting for tax purposes may determine the amount of income recognized with respect to the Sterling received on each interest payment date by using one of two methods. Under the first method, the amount of income accrued is determined by translating the Sterling amount into U.S. dollars at the average exchange rate in effect during the accrual period (or, if the accrual period spans two taxable years, at the exchange rate for the partial period within the taxable year). Alternatively, such U.S. Holders may elect to determine the amount of income accrued on the basis of the spot rate in effect on the last day of the accrual period (or the last day of the taxable year in the case of an accrual period that straddles the U.S. Holder's taxable year) (and may use the spot rate on the date the interest payment is received if that date is within five days of the end of the accrual period). U.S. Holders that make this election must apply it consistently to all debt instruments from year to year and cannot change the election without the consent of the IRS. Accrual method U.S. Holders will recognize foreign currency gain or loss on the receipt of an interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a note) if the spot rate of exchange on the date the payment is received differs from the rate applicable to a previous accrual of that interest income. Such foreign currency gain or loss generally will be treated as ordinary income or loss, but generally will not be treated as an adjustment to interest income received on the notes. A U.S. Holder will have a tax basis in Sterling received as interest equal to the U.S. dollar value of such Sterling.

*Sale, Exchange, Redemption or Retirement of the Notes.* Unless a non-recognition provision applies, upon the disposition of a note by sale, exchange, redemption or retirement, a U.S. Holder generally will recognize gain or loss equal to the difference between (i) the sum of all cash plus the fair market value of all other property received on such disposition (other than amounts attributable to accrued interest, which amounts would be treated as ordinary interest income to the extent not previously so taxed) and (ii) the U.S. Holder's adjusted tax basis in such note. A U.S. Holder's adjusted tax basis in a note generally will equal the cost of the note to the U.S. Holder, decreased by the amount of any payments (other than payments of qualified stated interest) on the note.

A U.S. Holder that uses the cash receipts and disbursements method of accounting determines the amount realized in U.S. dollars by using the relevant spot exchange rate on the settlement date of the disposition of a note, provided that the notes are traded on an established securities market. A U.S. Holder that uses an accrual method of accounting may elect such treatment for all purchases and sales for foreign currency of stock or securities traded on an established securities market (which election cannot be changed without the consent of the IRS). Absent such an election, the amount realized by an accrual method U.S. Holder in U.S. dollars is the U.S. dollar value of the Sterling received, determined at the spot rate on the trade date of the sale, exchange or retirement of the note. A U.S.

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Holder's adjusted tax basis in a note generally will be the U.S. dollar value of the Sterling purchase price on the settlement date of the purchase. Gain or loss realized upon the taxable disposition of a note that is attributable to fluctuations in currency exchange rates will be ordinary income or loss and such income or loss will not be treated as interest income or expense. Payments received on a disposition that are attributable to accrued stated interest will be treated in accordance with the foreign currency exchange gain and loss rules applicable to payments of stated interest (and described above). Furthermore, the gain or loss of a U.S. Holder attributable to fluctuations in currency exchange rates will be the difference between (i) the U.S. dollar value of the U.S. Holder's purchase price for the note, determined using the spot rate on the date the note is disposed of (or the settlement date, if the notes are traded on an established securities market and the U.S. Holder is either a cash basis taxpayer or an electing accrual basis taxpayer), and (ii) the U.S. dollar value of the purchase price for the note, determined using the spot rate on the date the U.S. Holder acquired the note. The foreign currency gain or loss will be recognized only to the extent of the total gain or loss realized by the U.S. Holder on the disposition of the note. Any gain or loss realized in excess of the foreign currency gain or loss will be capital gain or loss.

Gain or loss recognized on the sale, exchange, retirement, or other taxable disposition of a note (except gain or loss attributable to foreign currency gains or losses) generally will constitute capital gain or loss and will be long-term capital gain or loss if the U.S. Holder has held the note for more than one year. In the case of a non-corporate U.S. Holder, long-term capital gain is currently subject to a maximum U.S. federal income tax rate of 15% (increasing to 20% for taxable years beginning on or after January 1, 2013). The deductibility of capital losses is subject to limitations.

A U.S. Holder that purchases notes with previously owned Sterling will generally recognize gain or loss equal to the difference, if any, between such U.S. Holder's basis in the Sterling and the U.S. dollar fair market value of the notes on the date of purchase. A U.S. Holder will have a tax basis in Sterling received on the sale, exchange or retirement of a note equal to the U.S. dollar value of such Sterling, determined at the time of such sale, exchange or retirement. Any gain or loss realized by a U.S. Holder on a sale or other disposition of Sterling will be ordinary income or loss.

*Additional Payments.* In certain circumstances, the notes provide for the payment of certain amounts in excess of the accrued interest and principal. Because of this, the notes could be subject to rules relating to debt instruments that provide for one or more contingent payments, referred to as the "Contingent Payment Regulations." Under the Contingent Payment Regulations, however, a debt instrument is not a contingent payment debt instrument merely because of contingencies that, in the aggregate, as of the issue date, are "remote" or are considered to be "incidental." We intend to take the position that, for purposes of the Contingent Payment Regulations, the prospective payment of such additional amounts is a "remote" and/or "incidental" contingency, and this discussion assumes that our position will be respected. Our determination that these contingencies are remote and/or incidental will be binding on a holder unless such holder explicitly discloses its contrary position to the IRS in the manner required by applicable Treasury regulations. Our determination, however, is not binding on the IRS, and if the IRS successfully challenged this position, the tax consequences of holding and disposing of a note would differ from the consequences described herein.

*Satisfaction and Discharge.* Were we to obtain a discharge of the indenture with respect to all of the notes then outstanding, as described above under "Description of Notes Satisfaction and discharge," such discharge would generally be deemed to constitute a taxable exchange of the outstanding notes for other property namely, the funds deposited with the Trustee. In such case, a U.S. Holder generally would be required to recognize income and capital gain or loss in connection with such deemed exchange in a manner comparable to that discussed above under "Sale, Exchange, Redemption or Retirement of the Notes." In addition, after such deemed exchange, a U.S. Holder also may be required to recognize income from the property deemed to have been received in such exchange over the remaining life of the transaction in a manner or amount that is different than had

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the discharge not occurred. U.S. Holders should consult their tax advisors as to the specific consequences arising from a discharge in their particular situations.

*Backup Withholding and Information Reporting.* A U.S. Holder of a note may be subject, under certain circumstances, to information reporting and backup withholding at the then applicable rate (currently 28%, and 31% for taxable years beginning on or after January 1, 2013) with respect to payments of interest on, and gross proceeds from a sale, exchange, redemption, retirement or other disposition of, a note (including a redemption or a repurchase in the event of a Change of Control Triggering Event or a discharge, as described above under "Description of notes Satisfaction and discharge"), and any payments with respect to the property or rights to the property deemed to have been received as described above under "Satisfaction and discharge." These backup withholding rules apply if the U.S. Holder, among other things:

fails to furnish a social security number or other taxpayer identification number ("TIN") certified under penalties of perjury within a reasonable time after the request therefor;

furnishes an incorrect TIN;

is notified it is subject to backup withholding because such holder previously failed to properly report interest or dividends;

under certain circumstances, fails to provide a certified statement, signed under penalties of perjury, that the TIN furnished is the correct number and that such U.S. Holder is not subject to backup withholding; or

otherwise fails to comply with applicable requirements of the backup withholding rules.

A U.S. Holder of a note that does not provide his, her or its correct TIN may be subject to penalties imposed by the IRS. Certain persons are exempt from backup withholding, including corporations and tax-exempt entities, provided their exemption is properly established. U.S. Holders of notes should consult their tax advisors as to their qualifications for exemption from withholding and the procedure for obtaining such exemption. U.S. Holders that are not corporations or tax-exempt organizations generally will be subject to information reporting requirements.

Backup withholding is not an additional tax. Any amount paid as backup withholding is creditable against the U.S. Holder's federal income tax liability, provided the requisite information is timely provided to the IRS.

**Non-U.S. Holders**

The following discussion is limited to the U.S. federal income and estate tax consequences to a holder of a note that is a beneficial owner and that, for U.S. federal income tax purposes, is an individual, corporation, estate or trust other than a U.S. Holder (a "Non-U.S. Holder"). Because U.S. federal tax law uses different tests to determine whether an individual is a non-resident alien for income tax and estate tax purposes, some individuals may be "Non-U.S. Holders" for purposes of the U.S. federal income tax discussion, but not for the purpose of the U.S. federal estate tax discussion, and vice versa. For purposes of the discussion below, interest and any gain on the sale, exchange, redemption, retirement or other disposition of a note will be considered to be "U.S. trade or business income" if such income or gain is effectively connected with the Non-U.S. Holder's conduct of a U.S. trade or business.

As described in "U.S. Holders Additional Payments," this discussion assumes that the notes will not be subject to the Contingent Payment Regulations.

*Stated Interest.* Subject to the discussions of backup withholding and "FATCA Legislation" below, generally, interest (including additional interest, if any) paid to a Non-U.S. Holder of a note will not be

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subject to United States federal income or withholding tax if such interest is not U.S. trade or business income and is "portfolio interest." Generally, interest on the notes will qualify as portfolio interest and will be eligible for the portfolio interest exception if the Non-U.S. Holder:

does not actually or constructively own 10% or more of the total combined voting power of all classes of our stock entitled to vote;

is not a "controlled foreign corporation" with respect to which we are a "related person" within the meaning of the Code;

is not a bank described in Section 881(c)(3)(A) of the Code; and

certifies, under penalties of perjury, on a properly executed Form W-8BEN (or any successor form) prior to the payment of interest that such holder is not a United States person and provides such holder's name and address.

The gross amount of payments of interest that do not qualify for the portfolio interest exception and that are not U.S. trade or business income will be subject to U.S. withholding tax at a rate of 30% unless a treaty applies to reduce or eliminate withholding.

Unless an applicable treaty otherwise provides, U.S. trade or business income will be taxed on a net basis at regular graduated U.S. rates rather than the 30% gross rate. In addition, in the case of a Non-U.S. Holder that is a corporation, any effectively connected earnings and profits may be subject to a 30% branch profits tax, unless an applicable treaty otherwise provides.

To claim an exemption from withholding in the case of U.S. trade or business income, or to claim the benefits of a treaty, a Non-U.S. Holder must provide a properly executed Form W-8ECI (in the case of U.S. trade or business income not exempt under a treaty) or Form W-8BEN (in the case of a treaty), or any successor form as the IRS designates, as applicable, prior to the payment of interest. These forms must be periodically updated. A Non-U.S. Holder that is claiming the benefits of a treaty will be required to obtain and to provide a TIN unless the notes are actively traded property under applicable Treasury regulations. If the notes are actively traded, in certain circumstances the Non-U.S. Holder may provide certain documentary evidence issued by foreign governmental authorities to prove residence in the foreign country. Also, special procedures are provided under applicable Treasury regulations for payments through qualified intermediaries or certain financial institutions that hold customers' securities in the ordinary course of their trade or business.

*Sale, Exchange, Redemption or Retirement of notes.* Except as described below and subject to the discussions concerning backup withholding and "FATCA Legislation," any gain realized by a Non-U.S. Holder on the sale, exchange, redemption or retirement of a note (including a redemption or a repurchase in the event of Change of Control Triggering Event or a discharge, as described above under "Description of Notes Satisfaction and discharge") generally will not be subject to U.S. federal income or withholding tax, unless:

such gain is U.S. trade or business income, in which case the Non-U.S. Holder generally will be taxed as discussed above under " Stated Interest"; or

subject to certain exceptions, the Non-U.S. Holder is an individual and is present in the United States for 183 days or more in the taxable year of the disposition, in which case the Non-U.S. Holder will be subject to a flat 30% U.S. federal income tax on any gain recognized (except as otherwise provided by an applicable income tax treaty), which may be offset by certain U.S. source losses.

Payments received on a disposition that are attributable to accrued stated interest will be treated in accordance with the rules applicable to payments of stated interest (and described above).

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*Satisfaction and Discharge.* As described above under "U.S. Holders Satisfaction and discharge," a Non-U.S. Holder also may be required to recognize income with respect to the property or rights to the property deemed to have been received in such taxable exchange over the remaining life of the transaction in a manner or amount that is different than had the discharge not occurred, and such income may be subject to U.S. income and/or withholding taxes. Non-U.S. Holders should consult their tax advisors as to the specific consequences arising from a discharge in their particular situations.

*Federal estate tax.* Any notes held (or treated as held) by an individual who is a Non-U.S. Holder at the time of his or her death will not be subject to U.S. federal estate tax, provided that the individual does not actually or constructively own 10% or more of the total voting power of all of our classes of stock entitled to vote and income on the notes was not U.S. trade or business income.

*Information reporting and backup withholding.* We must report annually to the IRS and to each Non-U.S. Holder any interest that is paid to the Non-U.S. Holder. Copies of these information returns also may be made available under the provisions of a specific treaty or other agreement to the tax authorities of the country in which the Non-U.S. Holder resides.

Treasury regulations provide that the backup withholding tax (currently 28%, and 31% for taxable years beginning on or after January 1, 2013) and certain information reporting will not apply to payments of interest with respect to which either the requisite certification that the Non-U.S. Holder is not a U.S. person, as described above, has been received or an exemption otherwise has been established, provided that neither we nor our paying agent have actual knowledge, or reason to know, that the Non-U.S. Holder is a U.S. person or that the conditions of any other exemption are not, in fact, satisfied.

The payment of the gross proceeds from the sale, exchange, redemption, retirement or other disposition (including a redemption or a repurchase in the event of a Change of Control Triggering Event or a discharge, as described above under "Description of Notes Satisfaction and discharge") of the notes to or through the U.S. office of any broker, U.S. or foreign, will be subject to information reporting and possible backup withholding unless the Non-U.S. Holder certifies as to its non-U.S. status under penalties of perjury or otherwise establishes an exemption, provided that the broker does not have actual knowledge, or reason to know, that the Non-U.S. Holder is a U.S. person or that the conditions of any other exemption are not, in fact, satisfied. The payment of the gross proceeds from the sale, exchange, redemption, retirement or other disposition (including a redemption or a repurchase in the event of a Change of Control Triggering Event or a discharge, as described above under "Description of Notes Satisfaction and discharge") of the notes to or through a non-U.S. office of a non-U.S. broker will not be subject to information reporting or backup withholding unless the non-U.S. broker is a U.S. person or has certain types of relationships with the United States (a "U.S. related person"). In the case of the payment of the gross proceeds from the sale, exchange, redemption, retirement or other disposition (including a redemption or a repurchase in the event of a Change of Control Triggering Event or a discharge, as described above under "Description of Notes Satisfaction and discharge") of the notes to or through a non-U.S. office of a broker that is either a U.S. person or a U.S. related person, the Treasury regulations require information reporting (but not backup withholding) on the payment unless the broker has documentary evidence in its files that the owner is a Non-U.S. Holder and the broker has no knowledge, or reason to know, to the contrary.

In addition, in general, any payments with respect to the property or rights to the property deemed to have been received, as described above under "Description of Notes Satisfaction and discharge," may be subject to information reporting and possible backup withholding, unless the Non-U.S. holder certifies as to its non-U.S. status under penalties of perjury or otherwise establishes an exemption, and the payor does not have actual knowledge, or reason to know, that the Non-U.S. Holder is a U.S. person or that the conditions of any other exemption are not, in fact, satisfied.

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Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be refunded or credited against the Non-U.S. Holder's United States federal income tax liability, provided that the required information is timely provided to the IRS.

All certifications described above under the heading " Non-U.S. Holders" are subject to special rules with respect to reliance standards, under which certifications provided by holders may not be relied on under certain circumstances (for example, if we, our paying agent, or the broker had actual knowledge or reason to know that the certification is false).

**FATCA Legislation**

On March 18, 2010, President Obama signed the Hiring Incentives to Restore Employment Act (the "HIRE Act") into law. The HIRE Act added a new chapter 4 to the Code. Effective for payments made after December 31, 2013 (in the case of interest payments) and December 31, 2014 (in the case of disposition proceeds), chapter 4 generally requires us or our paying agent (in its capacity as such) to deduct and withhold a tax equal to 30% of any payments made on our obligations to a foreign financial institution or non-financial foreign entity (including, in some cases, when such foreign institution or entity is acting as an intermediary), and requires any person having the control, receipt, custody, disposal, or payment of any gross proceeds of sale or other disposition of our obligations to deduct and withhold a tax equal to 30% of any such proceeds, unless (i) in the case of a foreign financial institution, such institution enters into an agreement with the U.S. government to withhold on certain payments, and to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners), and (ii) in the case of a non-financial foreign entity, such entity provides the withholding agent with a certification identifying the direct and indirect U.S. owners of the entity. Under certain circumstances, a Non-U.S. Holder might be eligible for refunds or credits of such taxes. These new withholding rules generally are only effective for notes issued after March 18, 2012 (or after December 31, 2012 if proposed Treasury regulations not yet in effect are ultimately adopted). Prospective investors are encouraged to consult with their own tax advisors regarding the possible implications of this recently enacted legislation on an investment in the notes.

**THE PRECEDING DISCUSSION OF CERTAIN UNITED STATES FEDERAL TAX CONSIDERATIONS RELATING TO THE ACQUISITION, OWNERSHIP AND DISPOSITION OF THE NOTES IS FOR GENERAL INFORMATION ONLY AND IS NOT TAX ADVICE. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT HIS, HER OR ITS OWN TAX ADVISOR AS TO PARTICULAR TAX CONSEQUENCES TO IT OF PURCHASING, HOLDING AND DISPOSING OF NOTES, INCLUDING THE APPLICABILITY AND EFFECT OF ANY U.S. FEDERAL INCOME, MEDICARE, ESTATE AND GIFT TAX LAWS AND STATE, LOCAL OR FOREIGN TAX LAWS, AND OF ANY PROPOSED CHANGES IN APPLICABLE LAW.**

Table of Contents**UNDERWRITING**

Subject to the terms and conditions in the underwriting agreement between us and the several underwriters named below, we have agreed to sell to each underwriter, and each underwriter has severally agreed to purchase from us, the principal amount of notes that appears opposite its name in the table below:

<b>Underwriter</b>	<b>Principal Amount of Notes due 2029</b>	
Barclays Bank PLC	£	112,502,000
Deutsche Bank AG, London Branch	£	112,502,000
Citigroup Global Markets Limited	£	97,500,000
Credit Suisse Securities (Europe) Limited	£	82,500,000
UBS Limited	£	82,500,000
Banco Bilbao Vizcaya Argentaria, S.A.	£	20,192,000
Banco Santander, S.A.	£	20,192,000
Credit Agricole Corporate and Investment Bank	£	20,192,000
Goldman Sachs International	£	20,192,000
HSBC Bank plc	£	20,192,000
J.P. Morgan Securities plc	£	20,192,000
Lloyds TSB Bank plc	£	20,192,000
Merrill Lynch International	£	20,192,000
Mitsubishi UFJ Securities International plc.	£	20,192,000
Mizuho International plc	£	20,192,000
Morgan Stanley & Co. International plc	£	20,192,000
The Royal Bank of Scotland plc	£	20,192,000
U.S. Bancorp Investments, Inc.	£	20,192,000
<b>Total</b>	<b>£</b>	<b>750,000,000</b>

The underwriting agreement provides that the underwriters will purchase all of the notes if any of them are purchased.

The underwriters initially propose to offer the notes to the public at the public offering price that appears on the cover page of this prospectus. The underwriters may offer the notes to selected dealers at the public offering price minus a concession of up to 0.65% of the principal amount of the notes. In addition, the underwriters may allow, and those selected dealers may reallow, a concession of up to 0.25% of the principal amount of the notes to certain other dealers. After the initial offering, the underwriters may change the public offering price and any other selling terms. The underwriters may offer and sell notes through certain of their affiliates. The offering of the notes by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.

In the underwriting agreement, we have agreed that:

We will pay our expenses related to the offering, which we estimate will be \$8 million.

We will indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or contribute to payments that the underwriters may be required to make in respect of those liabilities.

The notes are a new issue of securities, and there is currently no established trading market for the notes. We intend to apply to list the notes on the New York Stock Exchange. The underwriters have advised us that they intend to make a market in the notes, but they are not obligated to do so. The underwriters may discontinue without notice any market making in the notes at any time in their



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sole discretion. Accordingly, we cannot assure you that a liquid trading market will develop for the notes, that you will be able to sell your notes at a particular time or that the prices that you receive when you sell will be favorable.

In connection with the offering of the notes, the underwriters may engage in overallotment, stabilizing transactions and syndicate covering transactions. Overallotment involves sales in excess of the offering size, which creates a short position for the underwriters. Stabilizing transactions involve bids to purchase the notes in the open market for the purpose of pegging, fixing or maintaining the price of the notes. Syndicate covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover short positions. Stabilizing transactions and syndicate covering transactions may cause the price of the notes to be higher than it would otherwise be in the absence of those transactions. If the underwriters engage in stabilizing or syndicate covering transactions, they may discontinue them at any time without notice. Any of these activities may stabilize or maintain the market price of the notes above independent market levels, but no representation is made hereby of the magnitude of any effect that the transactions described above may have on the market price of the notes. The underwriters will not be required to engage in these activities, and may engage in these activities, and may end any of these activities, at any time without notice. These transactions may be effected in the over-the-counter market or otherwise.

You should be aware that the laws and practices of certain countries require investors to pay stamp taxes and other charges in connection with purchases of securities.

**Selling Restrictions**

*European Economic Area*

In relation to each Member State of the European Economic Area that has implemented the Prospectus Directive (each, a "Relevant Member State"), each underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") it has not made and will not make an offer of notes to the public which are the subject of the offering contemplated by this prospectus in that Relevant Member State other than:

to any legal entity which is a qualified investor as defined in the Prospectus Directive;

to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of notes shall require the us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression "an offer of notes to the public" in relation to any notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe the notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

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***United Kingdom***

Each underwriter has represented and agreed that:

(a) (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell the notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the notes would otherwise constitute a contravention of Section 19 of the FSMA by the issuers;

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the notes in circumstances in which Section 21(1) of the FSMA does not apply to the issuers or the guarantors; and

(c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the notes in, from or otherwise involving the United Kingdom.

**Conflict of Interest**

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters and their affiliates perform various financial advisory, investment banking and commercial banking services from time to time for us and our affiliates. In addition, affiliates of certain of the underwriters are party to the Credit Agreement as agents and lenders.

In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the issuers or our affiliates. Certain of the underwriters or their affiliates that have a lending relationship with us routinely hedge their credit exposure to us consistent with their customary risk management policies. Typically, such underwriters and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the notes offered hereby. The underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

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**LEGAL MATTERS**

Weil, Gotshal & Manges LLP, New York, New York has passed upon the validity of the notes and guarantees on behalf of the issuers. Certain legal matters in connection with the offering will be passed upon for the underwriters by Paul, Weiss, Rifkind, Wharton & Garrison LLP, New York, New York.

**EXPERTS**

The consolidated financial statements incorporated in this prospectus by reference from DIRECTV's Current Report on Form 8-K, filed on August 27, 2012, the related financial statement schedule incorporated by reference from DIRECTV's Annual Report on Form 10-K for the year ended December 31, 2011, and the effectiveness of DIRECTV's internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference. Such financial statements and financial statement schedule have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

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PROSPECTUS

**DIRECTV HOLDINGS LLC  
DIRECTV FINANCING CO., INC.  
DEBT SECURITIES**

**DIRECTV  
DIRECTV CUSTOMER SERVICES, INC.  
DIRECTV ENTERPRISES, LLC  
DIRECTV HOME SERVICES, LLC  
DIRECTV MERCHANDISING, INC.  
DIRECTV, LLC  
LABC PRODUCTIONS, LLC  
GUARANTEES**

DIRECTV Holdings LLC ("DIRECTV Holdings") and DIRECTV Financing Co., Inc. ("DIRECTV Financing") may from time to time offer to sell their debt securities, which will be fully and unconditionally guaranteed by DIRECTV, ("Parent") and/or one or more of the additional registrants, each of which is a direct or indirect wholly-owned subsidiary of DIRECTV Holdings.

DIRECTV Holdings and DIRECTV Financing may offer and sell these securities to or through one or more underwriters, dealers and agents, or directly to purchasers, on a continuous or delayed basis. DIRECTV Holdings and DIRECTV Financing will provide the specific plan of distribution for any securities to be offered in supplements to this prospectus. DIRECTV Holdings and DIRECTV Financing will provide specific terms of any securities to be offered in supplements to this prospectus. You should read this prospectus and the applicable prospectus supplement carefully before you invest.

The principal executive office of the registrants is located at 2230 East Imperial Highway, El Segundo, California 90245, and their telephone number at that address is (310) 964-5000.

**Investing in the securities involves risks. See "Risk Factors" on page 4 of this prospectus to read about factors you should consider before investing in the securities.**

**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.**

This prospectus may not be used to sell securities unless accompanied by a prospectus supplement that contains a description of those securities.

The date of this prospectus is September 10, 2012



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**ABOUT THIS PROSPECTUS**

This prospectus is part of an automatic shelf registration statement on Form S-3 that we have filed with the Securities and Exchange Commission (the "SEC") under the Securities Act of 1933 (the "Securities Act"). By using a shelf registration statement, we may sell, at any time and from time to time, in one or more offerings, the securities described in this prospectus. As allowed by the SEC rules, this prospectus does not contain all of the information included in the registration statement. For further information, we refer you to the registration statement, including its exhibits. Statements contained in this prospectus about the provisions or contents of any agreement or other document are not necessarily complete. If the SEC's rules and regulations require that an agreement or document be filed as an exhibit to the registration statement, please see that agreement or document for a complete description of the matters addressed in such statements.

You should read this prospectus, any prospectus supplement and any free writing prospectus together with any additional information you may need to make your investment decision. You should also read and carefully consider the information in the documents we have referred you to in "Where You Can Find More Information" below. Information incorporated by reference after the date of this prospectus is considered a part of this prospectus and may add, update or change information contained in this prospectus. Any information in such subsequent filings that is inconsistent with this prospectus will supersede the information in this prospectus or any earlier prospectus supplement.

**You should rely only on the information incorporated by reference or provided in this prospectus, any prospectus supplement and any free writing prospectus. We have not authorized anyone else to provide you with other information. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information in this prospectus, any prospectus supplement, any free writing prospectus or any document incorporated herein by reference is accurate as of any date other than the date of the applicable document. Our business, financial condition, results of operations and prospects may have changed since that date.**

Unless otherwise stated, or the context otherwise requires, references in this prospectus to "we," "us" and "our" are to DIRECTV and its consolidated subsidiaries, including DIRECTV Holdings and DIRECTV Holdings' subsidiaries, including DIRECTV Financing and the additional registrants.

**WHERE YOU CAN FIND MORE INFORMATION**

We are subject to the informational requirements of the Securities Exchange Act of 1934 (the "Exchange Act") and, in accordance with these requirements, we file reports and other information relating to our business, financial condition and other matters with the SEC. We are required to disclose in such reports certain information, as of particular dates, concerning operating results and financial condition, officers and directors, principal holders of shares, any material interests of such persons in transactions with us and other matters. Such filed reports and other information can be inspected and copied at the public reference room maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the public reference room by calling the SEC at 1-800-732-0330.

The SEC also maintains a website that contains reports and other information regarding registrants that file electronically with the SEC. The address of such site is: <http://www.sec.gov>.

Our Internet website is [www.directv.com](http://www.directv.com). We make available free of charge on such website our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports as soon as reasonably practicable after such materials are electronically filed or furnished to the SEC. Other than any documents expressly incorporated by reference, the information on our website and any other website that is referred to in this prospectus supplement is not part of this prospectus supplement.

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**INCORPORATION BY REFERENCE**

The SEC allows us to "incorporate by reference" information into this prospectus, which means that we can disclose important information to you by referring to those documents. We hereby "incorporate by reference" the documents listed below. The information that we file later with the SEC will automatically update and in some cases supersede the information in this prospectus and the documents listed below.

our Annual Report on Form 10-K for the year ended December 31, 2011, filed on February 23, 2012;

our Quarterly Reports on Form 10-Q for the quarter ended March 31, 2012, filed on May 9, 2012 and for the quarter ended June 30, 2012, filed on August 3, 2012;

the portions of our Definitive Proxy Statement on Schedule 14A, filed on March 16, 2012 that are incorporated by reference into Part III of our Annual Report on Form 10-K for the year ended December 31, 2011;

our Current Reports on Form 8-K filed with the SEC on January 27, 2012, February 15, 2012, March 14, 2012, May 9, 2012 and August 27, 2012, which supersedes Items 1, 2, 7, 8, and 9A, as well as the Report of Independent Registered Public Accounting Firm of our Annual Report on Form 10-K for the fiscal year ended December 31, 2011; and

any of our future filings with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act until our offering is completed; provided that this prospectus will not incorporate any information that we may furnish to the SEC under Item 2.02 or Item 7.01 of Form 8-K.

Upon your oral or written request, we will provide you with a copy of any of these filings at no cost. Requests should be directed to Corporate Secretary, DIRECTV, 2230 East Imperial Highway, El Segundo, California 90245, Telephone No. (310) 964-5000.

**PROSPECTUS SUMMARY**

**Business**

We are a leading provider of digital television entertainment in the United States and Latin America. We operate two direct-to-home, or DTH, business units: DIRECTV U.S. and DIRECTV Latin America, which are differentiated by their geographic location and are engaged in acquiring, promoting, selling and distributing digital entertainment programming primarily via satellite to residential and commercial subscribers. In addition, since November 19, 2009, we own and operate three regional sports networks and own a 60% interest in Game Show Network, LLC, a basic cable television network dedicated to game-related programming and Internet interactive game playing.

**DIRECTV U.S.** DIRECTV Holdings and its subsidiaries, which we refer to as DIRECTV U.S., is the largest provider of DTH digital television services and the second largest provider in the multi-channel video programming distribution, or MVPD, industry in the United States. As of June 30, 2012, DIRECTV U.S. had approximately 19.9 million subscribers.

**DIRECTV Latin America.** DIRECTV Latin America Holdings, Inc. and its subsidiaries, or DIRECTV Latin America, is the leading provider of DTH digital television services throughout Latin America. DIRECTV Latin America is comprised of: PanAmericana, which provides services in Argentina, Chile, Colombia, Ecuador, Puerto Rico, Venezuela and certain other countries in the region, and Sky Brasil Servicos Ltda., or Sky Brasil; which is a 93% owned subsidiary. DIRECTV Latin America also includes our 41% equity method investment in Innova, S. de R.L. de C.V., or Sky Mexico. As of June 30, 2012, PanAmericana had approximately 4.6 million subscribers, Sky Brasil had approximately 4.5 million subscribers and Sky Mexico had approximately 4.6 million subscribers.





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***DIRECTV Sports Networks.*** DIRECTV Sports Networks LLC and its subsidiaries, or DSN, is comprised primarily of three regional sports television networks based in Seattle, Washington; Denver, Colorado and Pittsburgh, Pennsylvania, each of which operates under the brand name ROOT SPORTS. The operating results of DSN beginning November 19, 2009 are reported as part of the "Sports Networks, Eliminations and Other" reporting segment.

Through DIRECTV U.S., we provide approximately 19.9 million subscribers with access to hundreds of channels of digital-quality video entertainment and CD-quality audio programming that we transmit directly to subscribers' homes or businesses via high-powered geosynchronous satellites. We also provide video-on-demand, or VOD, by "pushing" top-rated movies onto customers' digital video recorders, or DVRs, for instant viewing, as well as via broadband to our subscribers who have connected their set-top receiver to their broadband service.

We believe we provide one of the most extensive collections of programming available in the MVPD industry, including over 170 national high-definition, or HD, television channels and three dedicated 3D channels. In addition, we offer VOD service, named DIRECTV CINEMA , which provides a selection of approximately 8,000 movie and television programs to our broadband-connected subscribers. As of June 30, 2012, we provided local channel coverage in HD to markets covering over 97% of U.S. television households. In addition, we provided local channel coverage to markets representing approximately 99% of U.S. television households.

We also provide premium professional and collegiate sports programming such as the NFL SUNDAY TICKET , package, which allows subscribers to view the largest selection of NFL games available each Sunday during the regular season. Under our contract with the NFL, we have exclusive rights to provide this service through the 2014 season, including rights to provide related broadband, HD, VOD, interactive and mobile services.

To subscribe to the DIRECTV® service, subscribers sign up for our service through us, our national retailers, independent satellite television retailers or dealers, or regional telephone companies, which we refer to as telcos. We or one of our home service providers or dealers install the receiving equipment. The receiving equipment, which we refer to as a DIRECTV® System, consists of a small receiving satellite dish antenna, one or more digital set-top receivers, which are typically leased to the subscriber, and remote controls. After acquiring and installing a DIRECTV System, subscribers activate the DIRECTV service by contacting us and subscribing to one of our programming packages.

DIRECTV Latin America is the leading provider of DTH digital television services throughout Latin America and the Caribbean, which includes Puerto Rico. DIRECTV Latin America provides a wide selection of local and international digital-quality video entertainment and CD-quality audio programming under the DIRECTV and SKY brands to approximately 4.6 million subscribers in PanAmericana and approximately 4.5 million subscribers in Brazil. Our affiliate, Sky Mexico, has approximately 4.6 million subscribers. Including Sky Mexico, DIRECTV and SKY provide service to over 13.7 million subscribers throughout the region.

We believe we provide one of the most extensive collections of programming available in the Latin America pay television market, including HD sports video content and the most innovative interactive technology across the region. In addition, we have the unique ability to sell superior offerings of our differentiated products and services on a continent-wide basis at a lower cost compared to our competition. As of December 31, 2011, we provided service to approximately 22% of pay television households in PanAmericana, 30% of pay television households in Brazil and 32% of pay television households in Mexico.

**Corporate Information**

Our registered and principal executive offices are located at 2230 East Imperial Highway, El Segundo, California 90245, and the telephone number at that address is (310) 964-5000.

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**RISK FACTORS**

Investing in our securities involves risks. Before deciding to purchase any of our securities, you should carefully consider the discussion of risks and uncertainties under "Item 1A Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2011, which is incorporated by reference in this prospectus, and under similar headings in our subsequently filed Quarterly Reports on Form 10-Q and Annual Report on Form 10-K, as well as the other risks and uncertainties described in any other documents incorporated by reference in this prospectus or in any applicable prospectus supplement or free writing prospectus. See the section entitled "Where You Can Find More Information" in this prospectus. The risks and uncertainties discussed in the documents incorporated by reference in this prospectus are those we currently believe may materially affect us. Additional risks and uncertainties not presently known to us or that we currently believe are immaterial also may materially and adversely affect our business, financial condition and results of operations.

**FORWARD-LOOKING STATEMENTS**

We have made forward-looking statements in this prospectus that are based on our management's beliefs and assumptions and on information currently available to our management. Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, potential growth opportunities, potential operating performance improvements, the effects of competition and the effects of future legislation or regulations. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words "believe," "expect," "estimate," "anticipate," "intend," "plan," "foresee," "project" or the negative of these terms or similar expressions.

Forward-looking statements involve risks, uncertainties and assumptions. Actual results may differ materially from those expressed in these forward-looking statements. You should not put undue reliance on any forward-looking statements.

The risk factors discussed under "Item 1A Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2011, and under similar headings in our subsequently filed quarterly reports on Form 10-Q and annual reports on Form 10-K, as well as the other risks and uncertainties described in any other documents incorporated by reference in this prospectus or in any applicable prospectus supplement or free writing prospectus, could cause our results to differ materially from those expressed in forward-looking statements. Factors that could cause our actual results to differ materially from the results contemplated by such forward-looking statements include the risks described below.

Levels of competition are increasing.

Emerging digital media competition could materially adversely affect us.

We depend on others to produce programming and programming costs are increasing.

Increased subscriber churn or subscriber upgrade and retention costs could materially adversely affect our financial performance.

Our subscriber acquisition costs could materially increase.

Results are impacted by the effect of, and changes in, economic conditions and weakening economic conditions may reduce subscriber spending and our rate of growth of subscriber additions and may increase subscriber churn.

DIRECTV Latin America is subject to various additional risks associated with doing business internationally, which include political and economic instability and foreign currency exchange rate volatility and controls.



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Our ability to keep pace with technological developments is uncertain.

Our business relies on intellectual property, some of which is owned by third parties, and we may inadvertently infringe patents and proprietary rights of others.

We rely on key personnel.

Construction or launch delays on satellites could materially adversely affect our revenues and earnings.

Satellites are subject to significant launch and operational risks.

The loss of a satellite that is not insured could materially adversely affect programming availability and our earnings.

DIRECTV U.S. depends on the Communications Act (as defined in our Annual Report on Form 10-K for the year ended December 31, 2011) for access to cable-affiliated programming and changes impacting that access could materially adversely affect us.

Changes to and implementation of statutory copyright license requirements may negatively affect our ability to deliver local and distant broadcast stations, as well as other aspects of our business.

Satellite programming signals have been stolen and may be stolen, which could result in lost revenues and would cause us to incur incremental operating costs that do not result in subscriber acquisition.

The ability to maintain FCC licenses and other regulatory approvals is critical to our business.

DIRECTV U.S. has significant debt.

We may not be able to obtain or retain certain foreign regulatory approvals.

We have an indemnity obligation to Liberty Media (as defined in our Annual Report on Form 10-K for the year ended December 31, 2011), which is not limited in amount or subject to any cap, that could be triggered if parts of the Liberty Transaction or Liberty's 2008 Transaction (both as defined in our Annual Report on Form 10-K for the year ended December 31, 2011) with News Corporation are treated as a taxable transaction.

We may be required to forgo certain transactions in order to avoid the risk of incurring significant tax-related liabilities.

We rely on network and information systems and other technology, and a disruption or failure of such networks, systems or technology as a result of misappropriation of data or other malfeasance, as well as outages, natural disasters, accidental releases of information or similar events, may disrupt our business.

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We face risks arising from the outcome of various legal proceedings.

Our strategic initiatives may not be successfully implemented, may not elicit the expected customer response in the market and may result in competitive reactions.

Those and the other factors that are described in more detail in our Annual Report on Form 10-K for the year ended December 31, 2011

There may be other risks and uncertainties that we are unable to predict at this time or that we currently do not expect to have a material adverse effect on our business. We expressly disclaim any obligation to update these forward-looking statements other than as required by law.

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

The following table sets forth our historical ratio of earnings to fixed charges for the periods indicated for both Parent and DIRECTV Holdings.

**DIRECTV**

	Years Ended December 31,					Six Months Ended June 30,
	2007	2008	2009	2010	2011	2012
Ratio of earnings to fixed charges	8.07x	6.71x	4.86x	6.74x	5.87x	5.99x

**DIRECTV Holdings LLC**

	Years Ended December 31,					Six Months Ended June 30,
	2007	2008	2009	2010	2011	2012
Ratio of earnings to fixed charges	8.73x	6.81x	6.22x	6.41x	5.12x	5.40x

**USE OF PROCEEDS**

Unless otherwise stated in the prospectus supplement accompanying this prospectus or any applicable free writing prospectus, we will use the net proceeds from the sale of any debt securities that may be offered hereby for general corporate purposes. Such general corporate purposes may include, but are not limited to, reducing or refinancing our indebtedness or the indebtedness of our subsidiaries, financing possible acquisitions and distributions to DIRECTV for such purposes or to repurchase shares of its common stock. The prospectus supplement relating to an offering will contain a more detailed description of the use of proceeds of any specific offering of securities.

**DESCRIPTION OF SECURITIES**

We will set forth in the applicable prospectus supplement a description of the debt securities that may be offered under this prospectus.

**PLAN OF DISTRIBUTION**

We may sell the debt securities described in this prospectus from time to time in one or more transactions:

to purchasers directly;

to underwriters for public offering and sale by them;

through agents;

through dealers; or

through a combination of any of the foregoing methods of sale.

We may sell the debt securities directly to institutional investors or others who may be deemed to be underwriters within the meaning of the Securities Act, with respect to any resale of the debt securities. A prospectus supplement will describe the terms of any sale of debt securities we

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are offering hereunder. Direct sales may be arranged by a securities broker-dealer or other financial intermediary.

The applicable prospectus supplement will name any underwriter involved in a sale of debt securities. Underwriters may offer and sell debt securities at a fixed price or prices, which may be



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changed, or from time to time at market prices or at negotiated prices. Underwriters may be deemed to have received compensation from us from sales of debt securities in the form of underwriting discounts or commissions and may also receive commissions from purchasers of debt securities for whom they may act as agent. Underwriters may be involved in any at the market offering of debt securities by or on our behalf.

Underwriters may sell debt securities to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions (which may be changed from time to time) from the purchasers for whom they may act as agent.

Unless otherwise specified in the applicable prospectus supplement, the obligations of any underwriters to purchase debt securities will be subject to certain conditions precedent, and the underwriters will be obligated to purchase all the debt securities if any are purchased.

The applicable prospectus supplement will set forth whether or not underwriters may over-allot or effect transactions that stabilize, maintain or otherwise affect the market price of the debt securities at levels above those that might otherwise prevail in the open market, including, for example, by entering stabilizing bids, effecting syndicate covering transactions or imposing penalty bids.

We will name any agent involved in a sale of debt securities, as well as any commissions payable by us to such agent, in the applicable prospectus supplement. Unless otherwise specified in the applicable prospectus supplement, any such agent will be acting on a reasonable efforts basis for the period of its appointment.

If we utilize a dealer in the sale of the debt securities being offered pursuant to this prospectus, we will sell the debt securities to the dealer, as principal. The dealer may then resell the debt securities to the public at varying prices to be determined by the dealer at the time of resale.

Underwriters, dealers and agents participating in a sale of the debt securities may be deemed to be underwriters as defined in the Securities Act, and any discounts and commissions received by them and any profit realized by them on resale of the debt securities may be deemed to be underwriting discounts and commissions, under the Securities Act. We may have agreements with underwriters, dealers and agents to indemnify them against certain civil liabilities, including liabilities under the Securities Act, and to reimburse them for certain expenses.

## LEGAL MATTERS

Unless otherwise indicated in the applicable prospectus supplement, Weil, Gotshal & Manges LLP, will pass upon the validity of any debt securities and guarantees offered by DIRECTV Holdings, DIRECTV Financing, DIRECTV and DIRECTV Holdings' subsidiaries, which are the additional registrants.

## EXPERTS

The consolidated financial statements incorporated in this prospectus by reference from DIRECTV's Current Report on Form 8-K filed on August 27, 2012, the related financial statement schedule incorporated by reference from DIRECTV's Annual Report on Form 10-K for the year ended December 31, 2011 and the effectiveness of DIRECTV's internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference. Such financial statements and financial statement schedule have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

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**DIRECTV Holdings LLC  
DIRECTV Financing Co., Inc.**

**£750,000,000 4.375% Senior Notes due 2029**

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PROSPECTUS SUPPLEMENT

September 11, 2012

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*Joint Book-Running Managers*

**Barclays  
Citigroup**

**Credit Suisse**

**Deutsche Bank  
UBS Investment Bank**

*Co-Managers*

**Banco Bilbao Vizcaya Argentaria, S.A.**

**BofA Merrill Lynch**

**Credit Agricole CIB**

**Goldman Sachs International**

**HSBC**

**Lloyds Bank**

**J.P. Morgan**

**Mitsubishi UFJ Securities**

**Mizuho Securities**

**Morgan Stanley**

**Santander GBM**

**RBS**

**US Bancorp**

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