

MARSH & MCLENNAN COMPANIES, INC.

Form 424B2

September 10, 2015

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CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Maximum Aggregate Offering Price	Amount of Registration Fee (1)
3.750% Senior Notes due 2026	\$600,000,000	\$69,720

(1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended.

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Filed Pursuant to Rule 424(b)(2)
Registration No. 333-206217

Prospectus Supplement

September 9, 2015

(To Prospectus Dated August 7, 2015)

Marsh & McLennan Companies, Inc.

\$600,000,000 3.750% Senior Notes due 2026

We will pay interest on the notes on March 14 and September 14 of each year, beginning on March 14, 2016. The notes will mature on March 14, 2026. At our option, we may redeem the notes, in whole or in part at any time and from time to time, before their maturity at the redemption prices described herein under Description of Notes Optional Redemption.

The notes will be our senior unsecured obligations and will rank equally with all of our other senior unsecured indebtedness from time to time outstanding.

Investing in the notes involves risks. See the section entitled Risk Factors in our Annual Report on Form 10-K for the Year ended December 31, 2014, which is incorporated by reference into this prospectus supplement and the accompanying prospectus.

	Per Note	Total
Public offering price(1)	99.923%	\$ 599,538,000
Underwriting discount	0.650%	\$ 3,900,000
Proceeds to the Company (before expenses)	99.273%	\$ 595,638,000

(1) Plus accrued interest, if any, from September 14, 2015, if settlement occurs after that date.

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

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The underwriters expect to deliver the notes through the book-entry delivery system of The Depository Trust Company for the accounts of its participants, including Euroclear Bank S.A./N.V. and Clearstream Banking, societe anonyme, on or about September 14, 2015.

Joint Book Running Managers

BofA Merrill Lynch
J.P. Morgan

Goldman, Sachs & Co.
Morgan Stanley

Co-Managers

ANZ Securities

GC Securities

Scotiabank

Wells Fargo Securities

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This document consists of two parts. The first part is this prospectus supplement, which describes the terms of this offering of notes. The second part, the accompanying prospectus dated August 7, 2015, gives more general information, some of which may not apply to this offering.

No person is authorized to give any information or to make any representations other than those contained or incorporated by reference in this prospectus supplement or the accompanying prospectus. You must not rely on any unauthorized information or representations. This prospectus supplement and the accompanying prospectus are an offer to sell only the notes, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus supplement or the accompanying prospectus, as well as information previously filed with the Securities and Exchange Commission (SEC) and incorporated by reference, is current only as of the date of such information. Our business, financial condition, results of operations and prospects may have changed since that date.

References in this prospectus supplement and the accompanying prospectus to we, us, our, and the Company are to Marsh & McLennan Companies, Inc. and not its subsidiaries, except where the context otherwise requires.

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The SEC allows the Company to incorporate by reference the information it files with the SEC. This permits us to disclose important information to you by referencing these filed documents, which are considered part of this prospectus supplement and the accompanying prospectus. Information that we file later with the SEC will automatically update and supersede this information.

We incorporate by reference the documents set forth below that the Company previously filed with the SEC and any future filings made with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act until the offering of the notes has been completed; provided that, unless otherwise stated, we will not incorporate by reference any filing that is furnished or deemed furnished to the SEC. These documents contain important information about the Company.

We will provide without charge, upon written or oral request, a copy of any or an of the documents which are incorporated by reference in this prospectus supplement and the accompanying prospectus. Requests should be directed to Investor Relations, Marsh & McLennan Companies, Inc., 1166 Avenue of the Americas, New York, New York 10036-2774 (telephone number (212) 345-5000). The information found on our website and the websites of our operating companies is not a part of this prospectus supplement or the accompanying prospectus.

SEC Filings	Date Filed with the SEC
Annual Report on Form 10-K for the Year ended December 31, 2014	February 26, 2015
Quarterly Report on Form 10-Q for the Quarter ended March 31, 2015	May 4, 2015
Quarterly Report on Form 10-Q for the Quarter ended June 30, 2015	July 31, 2015
Definitive Proxy Statement on Schedule 14A (solely to the extent incorporated by reference into the Company's Annual Report on Form 10-K for the Year ended December 31, 2014)	March 27, 2015
Current Report on Form 8-K dated March 3, 2015	March 6, 2015
Current Report on Form 8-K dated March 19, 2015	March 19, 2015
Current Report on Form 8-K dated May 7, 2015	May 7, 2015
Current Report on Form 8-K dated May 21, 2015	May 26, 2015

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SUMMARY

The Company

Marsh & McLennan Companies, Inc. (the Company) is a global professional services firm offering clients advice and solutions in risk, strategy and people. It is the parent company of a number of leading risk experts and specialty consultants, including: Marsh, the insurance broker, intermediary and risk advisor; Guy Carpenter, the risk and reinsurance specialist; Mercer, the provider of HR and related financial advice and services; and Oliver Wyman Group, the management, economic and brand consultancy. With approximately 57,000 employees worldwide and 2014 consolidated revenue of approximately \$13 billion, the Company provides analysis, advice and transactional capabilities to clients in more than 130 countries. The Company's executive offices are located at 1166 Avenue of the Americas, New York, New York 10036-2774, and our telephone number is (212) 345-5000.

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The Offering

Issuer	Marsh & McLennan Companies, Inc.
Notes Offered	\$600,000,000 aggregate principal amount of 3.750% Senior Notes due 2026.
Maturity	The notes will mature on March 14, 2026, unless earlier redeemed or repurchased.
Interest	The notes will bear interest at 3.750% per year. Interest will be payable semi-annually in arrears on March 14 and September 14 of each year, beginning March 14, 2016.
Ranking	<p>The notes will be senior unsecured obligations of Marsh & McLennan Companies, Inc. and will rank equally with all of our other senior unsecured indebtedness from time to time outstanding.</p> <p>As of June 30, 2015, we had approximately \$3.5 billion of outstanding senior unsecured indebtedness, not including the debt of our subsidiaries. As of June 30, 2015, debt of our subsidiaries, to which the notes will be structurally subordinated, was approximately \$398 million.</p>
Optional Redemption	We may, at our option, redeem the notes in whole at any time, or in part from time to time, as described under Description of Notes Optional Redemption.
Additional Notes	<p>We may, without the consent of the noteholders, issue additional notes having the same ranking and the same interest rate, maturity and other terms (other than the issue date, the public offering price, the payment of interest accruing prior to the issue date of such additional notes and the first payment of interest following such issue date) as the notes offered by this prospectus supplement.</p> <p>Any such additional notes will be a part of the series having the same terms as the notes, provided that, if any additional notes subsequently issued are not fungible for U.S. federal income tax purposes with any notes previously issued, such additional notes shall trade under a separate CUSIP number.</p>
Sinking Fund	None.
Use of Proceeds	We will receive net proceeds from the offering of the notes of approximately \$595.6 million after deducting the underwriting discounts and commissions but before offering expenses. We intend to use the net proceeds of this offering for general corporate purposes. See Use of Proceeds.

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Conflicts of Interest	GC Securities is a division of MMC Securities Corp., which is an indirect wholly owned subsidiary of Marsh & McLennan Companies, Inc. (GC Securities). MMC Securities Corp. is a member of FINRA and as such, as a result of GC Securities participation as an underwriter in this offering, it is deemed to have a conflict of interest within the meaning of FINRA Rule 5121. Therefore, this offering is subject to and will be conducted in accordance with FINRA Rule 5121, including the requirement that GC Securities not make sales to discretionary accounts without the prior written consent of the account holder. A qualified independent underwriter is not necessary for this offering pursuant to FINRA Rule 5121(a)(1)(C). See Underwriting (Conflicts of Interest) Conflicts of Interest.
Listing	We do not intend to list the notes on any national securities exchange. The notes will be new securities for which there is currently no public market.
Governing Law	The indenture and the notes will be governed by the laws of the State of New York.
Trustee	The Bank of New York Mellon.
Risk Factors	Investing in the notes involves risks. See the section entitled Risk Factors in our Annual Report on Form 10-K for the Year ended December 31, 2014, which is incorporated by reference into this prospectus supplement and the accompanying prospectus, for a discussion of factors you should consider carefully before deciding to invest in the notes.

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INFORMATION CONCERNING FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus contain forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995. These statements, which express management's current views concerning future events or results, use words like anticipate, assume, believe, continue, estimate, expect, future, intend, plan, project and similar terms, and future or conditional tense verbs might, should, will and would. For example, we may use forward-looking statements when addressing topics such as: the outcome of contingencies; the expected impact of acquisitions and dispositions; the impact of competition; pension obligations; the impact of foreign currency exchange rates; our effective tax rates; changes in our business strategies and methods of generating revenue; the development and performance of our services and products; changes in the composition or level of our revenues; our cost structure, dividend policy, cash flow and liquidity; future actions by regulators; and the impact of changes in accounting rules.

Forward-looking statements are subject to inherent risks and uncertainties. Factors that could cause actual results to differ materially from those expressed or implied in our forward-looking statements include, among other things:

our ability to maintain adequate safeguards to protect the security of confidential, personal or proprietary information, and the potential for the improper disclosure or use of such information, whether due to human error, improper action by employees, vendors or third parties, or as a result of a cyberattack;

the impact of competition on our business, including the impact of our corporate tax rate, which is higher than the tax rate of our international competitors;

the impact of fluctuations in foreign currency exchange rates, particularly in light of the recent strengthening of the U.S. dollar against most other currencies worldwide;

the impact on our global pension obligations of changes in discount rates and asset returns, as well as projected salary increases, mortality rates, demographics, and inflation, and the impact of cash contributions required to be made to our global defined benefit pension plans due to changes in the funded status of those plans;

our exposure to potential liabilities arising from errors and omissions claims against us;

our exposure to potential civil remedies or criminal penalties if we fail to comply with foreign and U.S. laws that are applicable in the domestic and international jurisdictions in which we operate;

the extent to which we are able to retain existing clients and attract new business, and our ability to effectively incentivize and retain key employees;

our ability to make acquisitions and dispositions and to integrate, and realize expected synergies, savings or benefits from the businesses we acquire;

our ability to successfully recover should we experience a disaster or other business continuity problem;

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the impact of changes in interest rates and deterioration of counterparty credit quality on our cash balances and the performance of our investment portfolios;

the impact of potential rating agency actions on our cost of financing and ability to borrow, as well as on our operating costs and competitive position;

changes in applicable tax or accounting requirements; and

potential income statement effects from the application of FASB's ASC Topic No. 740 (Income Taxes) regarding accounting treatment of uncertain tax benefits and valuation allowances, including the effect of any subsequent adjustments to the estimates we use in applying this accounting standard.

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The factors identified above are not exhaustive. The Company and its subsidiaries operate in a dynamic business environment in which new risks may emerge frequently. Accordingly, we caution readers not to place undue reliance on any forward-looking statements, which are based only on information currently available to us and speak only as of the dates on which they are made. The Company undertakes no obligation to update or revise any forward-looking statement to reflect events or circumstances arising after the date on which it is made. Further information concerning the Company and its businesses, including information about factors that could materially affect our results of operations and financial condition, is contained in the Company's filings with the SEC, including the Risk Factors section and the Management's Discussion and Analysis of Financial Condition and Results of Operations section of our most recently filed Annual Report on Form 10-K.

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USE OF PROCEEDS

We will receive net proceeds from the offering of the notes of approximately \$595.6 million after deducting underwriting discounts and commissions but before offering expenses. We intend to use the net proceeds of this offering for general corporate purposes.

RATIO OF EARNINGS TO FIXED CHARGES

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

Six Months Ended June 30,		Year Ended December 31,				
2015	2014	2014	2013	2012	2011	2010
9.7	9.0	7.9	7.6	6.3	5.1	3.1

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DESCRIPTION OF NOTES

The notes will be senior debt issued under an indenture dated as of July 15, 2011 between Marsh & McLennan Companies, Inc. and The Bank of New York Mellon, as trustee, as previously supplemented and as to be further supplemented by a seventh supplemental indenture to be dated as of September 14, 2015 (collectively, the indenture).

General Terms of Notes

Interest and principal will be payable in U.S. dollars. The notes will be issued only in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. There will be no sinking fund payments for the notes.

The security registrar and transfer agent for the notes will be The Bank of New York Mellon until such time as a successor security registrar or transfer agent is appointed.

The notes will initially be limited to \$600,000,000 aggregate principal amount.

We may, without the consent of the noteholders, issue additional notes having the same ranking and the same interest rate, maturity and other terms as the notes offered by this prospectus supplement (except for the issue date, the public offering price, the payment of interest accruing prior to the issue date of such additional notes and the first payment of interest following such issue date). Any such additional notes will be a part of the series having the same terms as the notes, provided that, if any additional notes subsequently issued are not fungible for U.S. federal income tax purposes with any notes previously issued, such additional notes shall trade under a separate CUSIP number.

Interest

The notes will bear interest at 3.750% per year. Interest will be payable semi-annually in arrears on March 14 and September 14 of each year, beginning March 14, 2016. Interest on the notes will accrue from September 14, 2015, or from the most recent date to which interest has been paid or provided for. Interest on the notes will be paid to holders of record on the record date immediately preceding the interest payment date.

Interest on the notes will be computed on the basis of a 360-day year of twelve 30-day months. If an interest payment date for the notes falls on a day that is not a business day, the interest payment shall be postponed to the next succeeding business day, and no interest on such payment shall accrue for the period from and after such interest payment date. It will be an event of default under the indenture if we fail to pay interest when due and such failure continues for 30 days.

The notes will mature on March 14, 2026. If the maturity date for the notes falls on a day that is not a business day, the principal of and interest on the notes shall be due on the next succeeding business day, and no interest on such payment shall accrue for the period from and after the maturity date.

Ranking

The notes will be senior unsecured obligations of Marsh & McLennan Companies, Inc. and will rank equally with all of our other senior unsecured indebtedness from time to time outstanding. As of June 30, 2015, we had approximately \$3.5 billion of outstanding senior unsecured indebtedness, not including the debt of our subsidiaries. As of June 30, 2015, debt of our subsidiaries, to which the notes will be structurally subordinated, was approximately \$398 million.

Optional Redemption

The notes will be redeemable, in whole at any time or in part from time to time, at our option.

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If the notes are redeemed prior to December 14, 2025 (the date that is three months prior to the stated maturity date for the notes), the redemption price for the notes to be redeemed will equal the greater of the following amounts, plus, in each case, accrued and unpaid interest thereon to but excluding the redemption date:

100% of the principal amount of the notes to be redeemed; or

the sum of the present values of the remaining scheduled payments of principal of and interest on the notes to be redeemed (exclusive of interest accrued to the date of redemption) discounted to the date of redemption on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the then current Treasury Rate plus 25 basis points.

If the notes are redeemed on or after December 14, 2025 (the date that is three months prior to the stated maturity date for the notes), the redemption price for the notes to be redeemed will equal 100% of the principal amount of such notes plus accrued and unpaid interest thereon to but excluding the redemption date.

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

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

Independent Investment Banker means one of the Reference Treasury Dealers appointed by the Company.

Reference Treasury Dealer means (i) Merrill Lynch, Pierce, Fenner & Smith Incorporated and its successors, (ii) Goldman, Sachs & Co. and its successors, (iii) J.P. Morgan Securities LLC and its successors and (iv) Morgan Stanley & Co. LLC and its successors, or one or more Reference Treasury Dealers as we may specify from time to time; provided, however, that if any of them ceases to be a primary U.S. Government securities dealer for the City of New York (each a **Primary Treasury Dealer**), we will substitute another Primary Treasury Dealer.

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

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

The Treasury Rate shall be calculated on the third business day preceding the redemption date. As used in the immediately preceding sentence and in the definition of **Reference Treasury Dealer Quotations** above, the term **business day** means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed.

Notice of any redemption will be transmitted at least 30 but not more than 60 days before the redemption date to each holder of record of notes to be redeemed. The notice of redemption for such notes will state, among other things, the amount of notes to be redeemed, the redemption date, the manner in which the redemption price will be calculated and the place or places where payment will be made upon presentation and surrender of notes

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to be redeemed. If less than all of the notes are to be redeemed at our option, the trustee will select, in accordance with the procedures of DTC, the notes, or portions of the notes, to be redeemed. Unless we default in the payment of the redemption price, interest will cease to accrue on any such notes that have been called for redemption at the redemption date.

The Company shall not be required (i) to issue, register the transfer of or exchange any notes during the period beginning at the opening of business 15 days before the day of the delivery of a notice of redemption of notes selected for redemption and ending at the close of business on the day of such delivery, or (ii) to register the transfer or exchange of any notes so selected for redemption in whole or in part, except the unredeemed portion of any such notes being redeemed in part.

Global Clearance and Settlement Procedures

Investors in the global securities representing the notes (the Global Notes) may hold a beneficial interest in such Global Notes through The Depository Trust Company (DTC), Clearstream Banking, societe anonyme (Clearstream) or the Euroclear System (Euroclear) or through participants. The notes may be traded as home market instruments in both the European and U.S. domestic markets. Initial settlement and all secondary trades will settle as set forth below.

Clearstream has advised that it is incorporated under the laws of the Grand Duchy of Luxembourg as a professional depository. Clearstream holds securities for its participating organizations (Clearstream Participants). Clearstream facilitates the clearance and settlement of securities transactions between Clearstream Participants through electronic book-entry changes in accounts of Clearstream Participants, eliminating the need for physical movement of certificates. Clearstream provides to Clearstream 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. As a professional depository, Clearstream is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector (CSSF). Clearstream Participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. 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, to the extent received by the U.S. Depository (as defined below) for Clearstream, with respect to the notes held beneficially through Clearstream will be credited to cash accounts of Clearstream Participants in accordance with its rules and procedures.

Euroclear has advised that it was created in 1968 to hold securities for its participants (Euroclear Participants) and to clear and settle transactions between Euroclear Participants through simultaneous electronic book-entry delivery against payment, eliminating the need for physical movement of certificates and eliminating any risk from lack of simultaneous transfers of securities and cash. Euroclear provides 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), under contract with Euroclear Clearance Systems S.C., a Belgian cooperative corporation (the Cooperative). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator not the Cooperative. The Cooperative establishes policy for Euroclear on behalf of Euroclear Participants. 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.

The Euroclear Operator has advised us that it is licensed by the Belgian Banking and Finance Commission to carry out banking activities on a global basis. As a Belgian bank, it is regulated and examined by the Belgian Banking and Finance Commission.

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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 the Euroclear System, 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 record of or relationship with persons holding through Euroclear Participants.

Distributions, to the extent received by the U.S. Depository for Euroclear, with respect to notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear Participants in accordance with the Terms and Conditions.

Individual certificates in respect of notes will not be issued in exchange for the Global Notes, except in very limited circumstances, including those instances that follow: If DTC notifies us that it is unwilling or unable to continue as a clearing system in connection with a Global Note or DTC ceases to be a clearing agency registered under the Exchange Act, and in each case we do not appoint a successor clearing system within 90 days after receiving such notice from Euroclear, Clearstream or DTC or on becoming aware that DTC is no longer so registered, we will issue or cause to be issued individual certificates in registered form on registration of transfer of or in exchange for book-entry interests in the notes represented by such Global Note upon delivery of such Global Note for cancellation.

Title to book-entry interests in the notes will pass by book-entry registration of the transfer within the records of Euroclear, Clearstream or DTC, as the case may be, in accordance with their respective procedures. Book-entry interests in the notes may be transferred within Euroclear and within Clearstream and between Euroclear and Clearstream in accordance with procedures established for these purposes by Euroclear and Clearstream. Book-entry interests in the notes may be transferred within DTC in accordance with procedures established for this purpose by DTC. Transfers of book-entry interests in the notes between Euroclear and Clearstream and DTC may be effected in accordance with procedures established for this purpose by Euroclear, Clearstream and DTC.

Initial Settlement

All Global Notes will be registered in the name of Cede & Co. as nominee of DTC. Investors' interests in the Global Notes will be represented through financial institutions acting on their behalf as direct and indirect participants in DTC. As a result, Clearstream and Euroclear will hold positions on behalf of their participants through their respective U.S. depositories (each, a U.S. Depository), which in turn will hold such positions in accounts as participants of DTC.

Notes held through DTC will be settled in immediately available funds. Investor securities custody accounts will be credited with their holdings against payment on the settlement date. Notes held through Clearstream or Euroclear accounts will follow the settlement procedures applicable to conventional eurobonds, except that there will be no temporary global security and no lock-up or restricted period. Notes will be credited to the securities custody accounts on the settlement date against payment.

Secondary Market Trading

Since the purchaser determines the place of delivery, it is important to establish at the time of the trade where both the purchaser's and seller's accounts are located to ensure that settlement can be made on the desired value date.

Trading between DTC Participants. Secondary market trading between DTC participants will be settled in immediately available funds.

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Trading between Clearstream and/or Euroclear Participants. Secondary market trading between Clearstream participants and/or Euroclear participants will be settled using the procedures applicable to conventional eurobonds.

Trading between DTC Seller and Clearstream or Euroclear Purchaser. When beneficial interests in the Global Notes are to be transferred from the account of a DTC participant to the account of a Clearstream participant or a Euroclear participant, the purchaser will send instructions to Clearstream or Euroclear through a participant at least one business day prior to settlement. Clearstream or Euroclear will instruct the U.S. Depository, as the case may be, to receive a beneficial interest in the Global Notes against payment. Unless otherwise set forth in this prospectus supplement, payment will include interest accrued on the beneficial interest in the Global Notes so transferred from and including the last interest payment date to and excluding the settlement date, on the basis on which interest is calculated on the notes. For transactions settling on the 31st of the month, payment will include interest accrued to and excluding the first day of the following month. Payment will then be made by the U.S. Depository to the DTC participant's account against delivery of the beneficial interest in the Global Notes. After settlement has been completed, the beneficial interest in the Global Notes will be credited to the respective clearing system and by the clearing system, in accordance with its usual procedures, to the Clearstream or Euroclear participant's account. The securities credit will appear the next day (European time) and the cash debit will be back-valued to, and interest on the beneficial interest in the Global Notes will accrue from, the value date (which would be the preceding day when settlement occurred in New York). If settlement is not completed on the intended value date (that is, the trade fails), the Clearstream or Euroclear cash debit will be valued instead as of the actual settlement date.

Clearstream participants and Euroclear participants will need to make available to the respective clearing systems the funds necessary to process same-day funds settlement. The most direct means of doing so is to preposition funds for settlement, either from cash on hand or existing lines of credit, as they would for any settlement occurring within Clearstream or Euroclear. Under this approach, they may take on credit exposure to Clearstream or Euroclear until the beneficial interests in the Global Notes are credited to their accounts one day later.

As an alternative, if Clearstream or Euroclear has extended a line of credit to them, participants can elect not to preposition funds and allow that credit line to be drawn upon to finance settlement. Under this procedure, Clearstream participants or Euroclear participants purchasing a beneficial interest in the Global Notes would incur overdraft charges for one day, assuming they cleared the overdraft when the beneficial interests in the Global Notes were credited to their accounts. However, interest on the beneficial interests in the Global Notes would accrue from the value date. Therefore, in many cases the investment income on the Global Notes earned during that one-day period may substantially reduce or offset the amount of such overdraft charges, although this result will depend on each participant's particular cost of funds.

Since the settlement is taking place during New York business hours, DTC participants can employ their usual procedures for sending a beneficial interest in the Global Notes to the U.S. Depository for the benefit of Clearstream participants or Euroclear participants. The sale proceeds will be available to the DTC seller on the settlement date. Thus, to the DTC participant a cross-market transaction will settle no differently than a trade between two DTC participants.

Trading between Clearstream or Euroclear Seller and DTC Purchaser. Due to time zone differences in their favor, Clearstream and Euroclear participants may employ their customary procedures in transactions in which a beneficial interest in the Global Notes is to be transferred by the respective clearing system, through the U.S. Depository, to a DTC participant. The seller will send instructions to Clearstream or Euroclear through a participant at least one business day prior to settlement. In these cases, Clearstream or Euroclear will instruct the U.S. Depository, as appropriate, to deliver the beneficial interest in the Global Notes to the DTC participant's account against payment. Payment will include interest accrued on the beneficial interest in the Global Notes from and including the last coupon payment date to and excluding the settlement date on the basis on which

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interest is calculated on the Global Notes. For transactions settling on the 31st of the month, payment will include interest accrued to and excluding the first day of the following month. The payment will then be reflected in the account of the Clearstream or Euroclear participant the following day, and receipt of the cash proceeds in the Clearstream or Euroclear participant's account would be back-valued to the value date (which would be the preceding day, when settlement occurred in New York). Should the Clearstream or Euroclear participant have a line of credit with its respective clearing system and elect to be in debit in anticipation of receipt of the sale proceeds in its account, the back-valuation will extinguish any overdraft charges incurred over that one-day period. If settlement is not completed on the intended value date (that is, the trade fails), receipt of the cash proceeds in the Clearstream or Euroclear participant's account would instead be valued as of the actual settlement date.

Finally, day traders that use Clearstream or Euroclear and that purchase beneficial interests in the Global Notes from DTC participants for credit to Clearstream participants or Euroclear participants should note that these trades would automatically fail on the sale side unless affirmative action is taken. At least three techniques should be readily available to eliminate this potential problem:

borrowing through Clearstream or Euroclear for one day (until the purchase side of the day trade is reflected in their Clearstream or Euroclear accounts) in accordance with the clearing system's customary procedures;

borrowing beneficial interests in the Global Notes in the United States from a DTC participant no later than one day prior to settlement, which would give beneficial interests in the Global Notes sufficient time to be reflected in the appropriate Clearstream or Euroclear account in order to settle the sale side of the trade; or

staggering the value dates for the buy and sell sides of the trade so that the value date for the purchase from the DTC participant is at least one day prior to the value date for the sale to the Clearstream participant or Euroclear participant.

Although DTC, Clearstream, and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in the Global Notes among participants of DTC, Clearstream, and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be discontinued at any time.

Applicable Law

The notes and the indenture will be governed by and construed in accordance with the laws of the State of New York.

Additional Terms

For additional important information about the notes, see "Description of Debt Securities" in the accompanying prospectus. That information includes:

additional information on the terms of the notes;

general information on the indenture and the trustee; and

a description of events of default under the indenture.

To the extent any information about the notes varies between this prospectus supplement and the accompanying prospectus, you should rely on the information contained in this prospectus supplement.

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MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following are the material U.S. federal income tax consequences of ownership and disposition of the notes. This discussion applies only to notes that meet both of the following conditions:

they are purchased by those initial holders who purchase notes at the issue price, which will equal the first price to the public (not including bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) at which a substantial amount of the notes is sold for money; and

they are held as capital assets within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the Code). This discussion does not describe all of the tax consequences that may be relevant to holders in light of their particular circumstances or to holders subject to special rules such as:

financial institutions;

insurance companies;

dealers or traders using a mark-to-market method of tax accounting for the notes;

persons holding notes as part of an integrated transaction;

U.S. Holders (as defined below) whose functional currency is not the U.S. dollar;

regulated investment companies or real estate investment trusts;

partnerships or other entities classified as partnerships for U.S. federal income tax purposes;

tax-exempt organizations; or

persons subject to the alternative minimum tax or the Medicare contribution tax.

If an entity treated as a partnership for U.S. federal income tax purposes holds notes, the U.S. federal income tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. Partners of partnerships holding notes are urged to consult their tax advisors as to the particular U.S. federal income tax consequences to them of holding and disposing of the notes.

This summary is based on the Code, administrative pronouncements, judicial decisions and final, temporary and proposed Treasury Regulations in effect as of the date hereof, changes to any of which subsequent to the date of this prospectus supplement may affect the tax consequences described herein, possibly with retroactive effect.

PERSONS CONSIDERING THE PURCHASE OF NOTES ARE URGED TO CONSULT THEIR TAX ADVISORS WITH REGARD TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION.

Tax Consequences to U.S. Holders

As used herein, the term **U.S. Holder** means a beneficial owner of a note that is, for U.S. federal income tax purposes:

a citizen or individual resident of the United States;

a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state thereof or the District of Columbia; or

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

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Payments of Interest

Interest paid 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 the U.S. Holder's method of accounting for U.S. federal income tax purposes. The notes are expected to be issued without original issue discount (other than de minimis original issue discount) for U.S. federal income tax purposes.

Sale, Exchange or Retirement of the Notes

Upon the sale, exchange or retirement of a note, a U.S. Holder will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange or retirement and the U.S. Holder's adjusted tax basis in the note, which will generally equal the cost of the note. For these purposes, the amount realized does not include any amount attributable to accrued interest. Amounts attributable to accrued interest are treated as interest as described under "Payments of Interest" above.

Gain or loss realized on the sale, exchange or retirement of a note will generally be capital gain or loss and will be long-term capital gain or loss if at the time of sale, exchange or retirement the note has been held for more than one year. The deductibility of capital losses is subject to limitations.

Backup Withholding and Information Reporting

Information returns generally will be filed with the Internal Revenue Service (the "IRS") in connection with payments on the notes and the proceeds from a sale or other disposition of the notes. A U.S. Holder will be subject to backup withholding on these payments if the U.S. Holder fails to provide its taxpayer identification number to the applicable withholding agent and comply with certain certification procedures or otherwise establish an exemption from backup withholding. Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability and may entitle the U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

Tax Consequences to Non-U.S. Holders

As used herein, the term "Non-U.S. Holder" means a beneficial owner of a note that is, for U.S. federal income tax purposes:

a nonresident alien individual;

a foreign corporation; or

a foreign estate or trust.

The term "Non-U.S. Holder" does not include a beneficial owner who is an individual present in the United States for 183 days or more in the taxable year of disposition or who is (or may become while holding notes) a former citizen or resident of the United States. Such a beneficial owner is urged to consult his or her own tax advisor regarding the U.S. federal income tax consequences of the sale, exchange or other disposition of a note.

Payments on the Notes

Subject to the discussions below concerning backup withholding and FATCA, payments of principal, interest and premium on the notes to a Non-U.S. Holder will not be subject to U.S. federal withholding tax, provided that, in the case of interest,

the Non-U.S. Holder does not own, actually or constructively, 10 percent or more of the total combined voting power of all classes of stock of the Company entitled to vote and is not a controlled foreign corporation related, directly or indirectly, to the Company through stock ownership; and

the Non-U.S. Holder of the note certifies on a properly executed IRS Form W-8 appropriate to the Non-U.S. Holder's circumstances, under penalties of perjury, that it is not a United States person. Special certification rules apply to notes that are held through non-U.S. intermediaries.

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Subject to the discussion below concerning income of a Non-U.S. Holder that is effectively connected with the conduct of a trade or business in the United States, if a Non-U.S. Holder cannot satisfy the requirements described above, payments of interest on the notes to such Non-U.S. Holder will generally be subject to a 30 percent U.S. federal withholding tax, unless the Non-U.S. Holder provides the applicable withholding agent with a properly executed IRS Form W-8 appropriate to the Non-U.S. Holder's circumstances claiming an exemption from or reduction in withholding under an applicable income tax treaty and complies with any other applicable procedures. See the discussion below under "FATCA Legislation" regarding withholding on interest under the FATCA rules.

Sale, Exchange or Retirement of the Notes

A Non-U.S. Holder of a note will not be subject to U.S. federal income tax on gain realized on the sale, exchange or retirement of such note, unless the gain is effectively connected with the conduct by the Non-U.S. Holder of a trade or business in the United States, subject to an applicable income tax treaty providing otherwise, although any amounts attributable to accrued interest will be treated as described above under "Payments on the Notes." See the discussion below under "FATCA Legislation" regarding withholding under the FATCA rules on gross proceeds of the sale, exchange or retirement of the notes.

Non-U.S. Holder Engaged in a U.S. Trade or Business

If a Non-U.S. Holder of a note is engaged in a trade or business in the United States, and if income or gain on the note is effectively connected with the conduct of this trade or business (and if required by an applicable income tax treaty, the income or gain is attributable to a permanent establishment or fixed base maintained by the Non-U.S. Holder in the United States), the Non-U.S. Holder, although exempt from the withholding tax on interest discussed above, will generally be taxed in the same manner as a U.S. Holder (see "Tax Consequences to U.S. Holders" above), subject to an applicable income tax treaty providing otherwise, except that the Non-U.S. Holder will be required to provide to the applicable withholding agent a properly executed IRS Form W-8ECI in order to claim an exemption from withholding tax on interest. These Non-U.S. Holders should consult their tax advisors with respect to other U.S. tax consequences of the ownership and disposition of notes, including, in the case of a corporation, the possible imposition of a branch profits tax at a rate of 30% (or a lower treaty rate).

Backup Withholding and Information Reporting

Information returns generally will be filed with the IRS in connection with interest payments on the notes. Copies of the information returns reporting such interest payments and any withholding may also be made available to the tax authorities in the country in which the Non-U.S. Holder resides under the provisions of an applicable income tax treaty. Unless the Non-U.S. Holder complies with certification procedures to establish that it is not a United States person, information returns may be filed with the IRS in connection with the proceeds from a sale or other disposition of the notes, and the Non-U.S. Holder may be subject to backup withholding on payments on the notes or on the proceeds from a sale or other disposition of the notes. Compliance with the certification procedures required to claim the exemption from withholding tax on interest described above will satisfy the certification requirements necessary to avoid backup withholding as well. Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a Non-U.S. Holder will be allowed as a credit against the Non-U.S. Holder's U.S. federal income tax liability and may entitle the Non-U.S. Holder to a refund, provided that the required information is furnished to the IRS.

FATCA Legislation

Legislation commonly referred to as "FATCA" generally imposes a withholding tax of 30% on payments to certain non-U.S. entities (including financial intermediaries) with respect to certain financial instruments, unless various U.S. information reporting and due diligence requirements have been satisfied. An intergovernmental agreement between the United States and the non-U.S. entity's jurisdiction may modify these requirements. Withholding under these rules (if applicable) applies to payments of interest on the notes and, after December 31, 2016, to payments of gross proceeds of the sale, exchange or retirement of the notes. Non-U.S. Holders, and U.S. Holders holding notes through a non-U.S. intermediary, should consult their tax advisors regarding the potential application of FATCA to the notes.

Table of Contents**UNDERWRITING (CONFLICTS OF INTERESTS)**

Merrill Lynch, Pierce, Fenner & Smith Incorporated and Goldman, Sachs & Co. are acting as joint book-running managers of the offering and are acting as representatives of the several underwriters named below.

Subject to the terms and conditions contained in the underwriting agreement dated the date of this prospectus supplement, each underwriter named below has severally agreed to purchase, and we have agreed to sell to that underwriter, the principal amount of notes set forth opposite such underwriter's name.

<u>Underwriter</u>	<u>Principal Amount of Notes</u>
Merrill Lynch, Pierce, Fenner & Smith Incorporated	\$ 120,000,000
Goldman, Sachs & Co.	120,000,000
J.P. Morgan Securities LLC	120,000,000
Morgan Stanley & Co. LLC	120,000,000
ANZ Securities, Inc.	30,000,000
GC Securities, a division of MMC Securities Corp.	30,000,000
Scotia Capital (USA) Inc.	30,000,000
Wells Fargo Securities, LLC	30,000,000
Total	\$ 600,000,000

The underwriting agreement is subject to a number of terms and conditions and provides that the obligations of the underwriters to pay for and accept delivery of the notes offered hereby are subject to approval of legal matters by counsel and to other conditions. The underwriters are obligated to purchase all the notes offered hereby if they purchase any of the notes.

The underwriters have advised us that they propose initially to offer the notes directly to the public at the public offering price set forth on the cover page of this prospectus supplement and may offer the notes to certain dealers at the public offering price less a concession not to exceed 0.400% of the principal amount of the notes. The underwriters may allow, and dealers may reallocate, a concession not to exceed 0.250% of the principal amount of the notes on sales to other dealers. After the initial offering of the notes to the public, the representatives may change the public offering price and concessions. 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.

We estimate that our total expenses, not including the underwriting discount, for this offering will be approximately \$1.0 million.

We have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended, or to contribute to payments the underwriters may be required to make because of any of those liabilities.

The notes are a new issue of securities with no established trading market. We do not intend to list the notes on any securities exchange. If a trading market does not develop or is not maintained, holders of the notes may find it difficult or impossible to resell their notes. If a trading market were to develop, the notes may trade at prices that are higher or lower than their initial offering price, depending on many factors, including prevailing interest rates, our operating results and financial condition, and the market for similar securities. We have been advised by the underwriters that they intend to make a market in the notes. However, the underwriters are not obligated to do so and may discontinue any market making at any time without notice. Accordingly, there can be no assurance regarding any future development of a trading market for the notes or the ability of holders of the notes to sell their notes at all or the price at which such holders may be able to sell their notes.

In connection with the offering, the underwriters may purchase and sell notes in the open market. These transactions may include overallotment, syndicate covering transactions and stabilizing transactions.

Overallotment involves syndicate sales of notes in excess of the principal amount of notes to be purchased by the underwriters in the offering, which creates a syndicate short position. Syndicate covering transactions

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involve purchases of notes in the open market after the distribution has been completed in order to cover syndicate short positions. Stabilizing transactions consist of certain bids or purchases of notes made for the purpose of preventing or retarding a decline in the market price of the notes while the offering is in progress.

The underwriters also may impose a penalty bid. Penalty bids permit the underwriters to reclaim a selling concession from a syndicate member when the underwriters, in covering syndicate short positions or making stabilizing purchases, repurchase notes originally sold by that syndicate member.

Any of these activities with respect to the notes may have the effect of preventing or retarding a decline in the market price of the notes. They may also cause the price of the notes to be higher than the price that otherwise would exist in the open market in the absence of these transactions. The underwriters may conduct these transactions in the over-the-counter market or otherwise. If the underwriters commence any of these transactions, they may discontinue them at any time without notice.

Conflicts of Interest

GC Securities is a division of MMC Securities Corp., which is an indirect wholly owned subsidiary of Marsh & McLennan Companies, Inc. (GC Securities). MMC Securities Corp. is a member of the Financial Industry Regulatory Authority, Inc. (FINRA) and as such, as a result of GC Securities participation as an underwriter in this offering it is deemed to have a conflict of interest within the meaning of Rule 5121 of FINRA (Rule 5121). Therefore, this offering is subject to and will be conducted in accordance with Rule 5121, including the requirement that GC Securities not make sales to discretionary accounts without the prior written consent of the account holder. A qualified independent underwriter is not necessary for this offering pursuant to Rule 5121(a)(1)(C).

Other Relationships

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the underwriters and their respective affiliates have provided, and may in the future provide, a variety of these services to the Company and to persons and entities with relationships with the Company, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Company (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Company. If any of the underwriters or their affiliates has a lending relationship with the Company, certain of those underwriters or their affiliates routinely hedge, and certain of those underwriters or their affiliates may hedge, their credit exposure to the Company 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 the Company's 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 communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

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Selling Restrictions

European Economic Area

In relation to each Member State of the European Economic Area (each, a Member State), no offer of notes which are the subject of the offering contemplated by this prospectus supplement and the accompanying prospectus has been or will be made to the public in that Member State other than under the following exemptions under the Prospectus Directive:

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

to fewer than 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 Representatives 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 Company or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, (i) the expression an offer of notes to the public in relation to any notes in any 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 for the notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, (ii) the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto), and includes any relevant implementing measure in the Relevant Member States.

Each person located in a Member State to whom any offer of notes is made or who receives any communication in respect of any offer of notes, or who initially acquires any notes will be deemed to have represented, warranted, acknowledged and agreed to and with each Representative and the Company that (1) it is a qualified investor within the meaning of the law in that Member State implementing Article 2(1)(e) of the Prospectus Directive; and (2) in the case of any notes acquired by it as a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, the notes acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the Representatives has been given to the offer or resale; or where ordinary shares have been acquired by it on behalf of persons in any Member State other than qualified investors, the offer of those ordinary shares to it is not treated under the Prospectus Directive as having been made to such persons.

The Company, the Representatives and their respective affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgments and agreements.

This prospectus supplement and the accompanying prospectus have been prepared on the basis that any offer of notes in any Member State will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of notes. Accordingly any person making or intending to make an offer in that Member State of notes which are the subject of the offering contemplated in this prospectus supplement and the accompanying prospectus may only do so in circumstances in which no obligation arises for Marsh & McLennan Companies, Inc. or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither Marsh & McLennan Companies, Inc. nor any underwriter have authorized, nor do they authorize, the making of any offer of notes in circumstances in which an obligation arises for Marsh & McLennan Companies, Inc. or any underwriter to publish a prospectus for such offer.

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United Kingdom

Each underwriter has represented and agreed that:

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 Financial Services and Markets Act 2000 (the FSMA) received by it in connection with the issue or sale of the notes which are the subject of the offering contemplated by this prospectus supplement and the accompanying prospectus in circumstances in which Section 21(1) of the FSMA does not apply to the Company; and

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.

In the United Kingdom, this prospectus supplement is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are qualified investors (as defined in the Prospectus Directive) and (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the Order) or (ii) high net worth companies or other persons to whom it may otherwise be lawfully communicated falling within Article 49(2)(a) to (d) of the Order or (iii) other persons to whom it may be lawfully communicated in accordance with the Order (all such persons together being referred to as relevant persons). This prospectus supplement must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which this prospectus supplement relates is only available to, and will be engaged in with, relevant persons. Any person in the United Kingdom that is not a relevant person must not act on or rely on this prospectus supplement or any of its contents. This prospectus supplement is not a prospectus which has been approved by the Financial Conduct Authority or any other United Kingdom regulatory authority for the purposes of Section 85 of the FSMA.

Canada

The notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 *Underwriting Conflicts* (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Hong Kong

The notes may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to professional investors within the meaning of the Securities and Futures Ordinance (Cap. 571,

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Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a prospectus within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), and no advertisement, invitation or document relating to the notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Japan

The notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the Financial Instruments and Exchange Law) and each underwriter has agreed that it will not offer or sell any notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes may not be circulated or distributed, nor may the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), (ii) to a relevant person, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the notes under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

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LEGAL MATTERS

Certain matters pertaining to the notes will be passed upon for the Company by Carey Roberts, Esq., vice president, deputy general counsel and corporate secretary of the Company. The validity of the notes and certain matters pertaining to the notes will be passed upon for the Company by Davis Polk & Wardwell LLP, New York, New York, and for the underwriters by Willkie Farr & Gallagher LLP, New York, New York.

EXPERTS

The consolidated financial statements of Marsh & McLennan Companies, Inc. and subsidiaries (the Company) as of December 31, 2014 and 2013, and for each of the three years in the period ended December 31, 2014, incorporated by reference in this prospectus supplement from the Company's Annual Report on Form 10-K for the year ended December 31, 2014, and the effectiveness of the Company's internal control over financial reporting as of December 31, 2014, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated by reference in this prospectus supplement. Such financial statements have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

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Marsh & McLennan Companies, Inc.

Common Stock, Preferred Stock, Depositary Shares, Debt Securities,

Warrants, Purchase Contracts and Units

We may offer from time to time common stock, preferred stock, depositary shares representing preferred stock, debt securities, warrants, purchase contracts or units. In addition, certain selling securityholders may offer and sell these securities from time to time, in amounts, at prices and on terms that will be determined at the time the securities are offered. We urge you to read this prospectus and the accompanying prospectus supplement, which will describe the specific terms of the securities being offered, carefully before you make your investment decision.

Our common stock is listed on the New York and Chicago Stock Exchanges under the trading symbol **MMC** and on the London Stock Exchange under the trading symbol **MHM**.

Investing in these securities involves certain risks. See **Risk Factors beginning on page 11 of our Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference herein, as well as in any other recently filed quarterly or current reports. The prospectus supplement applicable to each type or series of securities we offer may contain a discussion of additional risks applicable to an investment in us and the particular type of securities we are offering under that prospectus supplement.**

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.

The date of this prospectus is August 7, 2015

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You should rely only on the information contained in or incorporated by reference in this prospectus. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any state or other jurisdiction where the offer is not permitted. You should not assume that the information contained in or incorporated by reference in this prospectus is accurate as of any date other than the date on the front of this prospectus. The terms the Company, we, us, and our refer to Marsh & McLennan Companies, Inc. and its subsidiaries.

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About This Prospectus

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission (the SEC) utilizing a shelf registration process. Under this shelf process, we may sell any combination of the securities described in this prospectus in one or more offerings. This prospectus provides you with a general description of the securities we may offer. Each time we or any selling securityholders sell securities pursuant to the registration statement, we will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained or incorporated by reference in this prospectus. You should read both this prospectus and any prospectus supplement together with the additional information described under the heading **Where You Can Find More Information** before deciding to invest in any of the securities being offered.

We have filed or incorporated by reference exhibits to the registration statement of which this prospectus forms a part. You should read the exhibits carefully for provisions that may be important to you.

Marsh & McLennan Companies, Inc.

The Company is a global professional services firm offering clients advice and solutions in risk, strategy and people. The Company's subsidiaries include Marsh, the insurance broker, intermediary and risk advisor; Guy Carpenter, the risk and reinsurance specialist; Mercer, the provider of HR and related financial advice and services; and Oliver Wyman Group, the management, economic and brand consultancy. The Company's approximately 57,000 employees worldwide provide analysis, advice and transactional capabilities to clients in over 130 countries.

Our principal offices are located at 1166 Avenue of the Americas, New York, New York 10036, and our telephone number is (212) 345-5000. We maintain a website at <http://www.mmc.com>, where general information about us is available. We are not incorporating the contents of our website into this prospectus.

Use of Proceeds

Except as otherwise disclosed in a prospectus supplement, the net proceeds from the sale of the securities by us will be used for general corporate purposes. In the case of a sale by a selling securityholder, we will not receive any of the proceeds from such sale.

Ratio of Earnings to Fixed Charges

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

	Fiscal Year Ended December 31,					Six Months Ended June 30,	
	2014	2013	2012	2011	2010	2015	2014
Ratio of earnings to fixed charges	7.9	7.6	6.3	5.1	3.1	9.7	9.0

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Description of Securities

This prospectus contains a summary of the securities that the Company or certain selling securityholders may sell. These summaries are not meant to be a complete description of each security. However, this prospectus and the accompanying prospectus supplement contain the material terms of the securities being offered.

Description of Capital Stock

The following description is based upon our restated certificate of incorporation, our amended and restated by-laws and applicable provisions of law. We have summarized certain portions of the restated certificate of incorporation and amended and restated by-laws below. The summary is not complete. The restated certificate of incorporation and amended and restated by-laws are incorporated by reference into this prospectus in their entirety. You should read the restated certificate of incorporation and amended and restated by-laws for the provisions that are important to you.

The Company's authorized capital stock consists of 1,600,000,000 shares of common stock and 6,000,000 shares of preferred stock. As of July 24, 2015, there were 529,992,560 shares of common stock issued and outstanding. No shares of preferred stock were issued or outstanding as of July 24, 2015.

Common Stock

Voting Rights. Each holder of common stock is entitled to one vote for each share held on all matters to be voted upon by stockholders.

Dividends. The holders of common stock, after any preferences of holders of any preferred stock, are entitled to receive dividends when and if declared by the board of directors out of legally available funds.

Liquidation and Dissolution. If the Company is liquidated or dissolved, the holders of the common stock will be entitled to share in the assets of the Company available for distribution to stockholders in proportion to the amount of common stock they own. The amount available for common stockholders is calculated after payment of liabilities. Holders of any preferred stock will receive their preferential share of the assets of the Company before the holders of the common stock receive any assets.

Other rights. Holders of the common stock have no right to:

convert the stock into any other security;

have the stock redeemed; or

purchase additional stock or to maintain their proportionate ownership interest

The common stock does not have cumulative voting rights. Holders of shares of the common stock are not required to make additional capital contributions.

Directors' Liability

Our restated certificate of incorporation provides that a member of the board of directors will not be personally liable to the Company or its stockholders for monetary damages for breaches of their legal duties to the Company or its stockholders as a director, except for liability:

for any breach of the director's legal duty to act in the best interests of the Company and its stockholders;

for acts or omissions by the director with dishonest intentions or which involve intentional misconduct or an intentional violation of the law;

for declaring dividends or authorizing the purchase or redemption of shares in violation of Delaware law; or

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for transactions where the director derived an improper personal benefit. Our restated certificate of incorporation also allows us to indemnify directors and officers to the fullest extent authorized by Delaware law.

Transfer Agent and Registrar

Wells Fargo Bank, National Association is transfer agent and registrar for the common stock.

Provisions of the Company's Restated Certificate of Incorporation and Amended and Restated By-laws and Delaware Law That May Have Anti-Takeover Effects

Stockholder Nomination of Directors. The Company's amended and restated by-laws provide that a stockholder must notify the Company in writing of any stockholder nomination of a director not earlier than 5:00 p.m. Eastern Time on the 120th day and not later than 5:00 p.m. Eastern Time on the 90th day prior to the first anniversary of the preceding year's annual meeting; provided, that if the date of the annual meeting is advanced or delayed by more than 30 days from such anniversary date, notice by the stockholder to be timely must be so delivered not earlier than 5:00 p.m. Eastern Time on the 120th day prior to the date of such annual meeting and not later than 5:00 p.m. Eastern Time on the later of (x) the 90th day prior to the date of such annual meeting and (y) the 10th day following the day on which public announcement of the date of such annual meeting is first made by the Company.

No Action By Written Consent. Our restated certificate of incorporation provides that stockholders of the Company may not act by written consent and may only act at duly called meetings of stockholders.

10% Stockholder Provision. Article Eighth of our restated certificate of incorporation changes the voting requirements for stockholders to approve certain transactions involving, or proposed by or on behalf of, a 10% stockholder or an affiliate or associate of a 10% stockholder. Business combinations are an example of the type of transaction addressed. These transactions must be approved by the holders of a majority of the Company's outstanding voting power, voting together as a single class. Any voting stock owned by a 10% stockholder is not counted in the vote. These transactions, however, can also be approved by a majority of unbiased directors. In that case, the voting requirements of Delaware law, our restated certificate of incorporation and our amended and restated by-laws that otherwise apply would govern the vote. Article Eighth does not affect the voting requirements of holders of preferred stock, if any, which arise under Delaware law and the restated certificate of incorporation.

Transactions covered by Article Eighth include:

mergers of the Company or any of its subsidiaries with a 10% stockholder,
sales of all or any substantial part of the assets of the Company and its subsidiaries to a 10% stockholder,
sales of all or any substantial part of the assets of a 10% stockholder to the Company,
the issuance or delivery of securities of the Company or any of its subsidiaries to a 10% stockholder, or of securities of a 10% stockholder to the Company,
any substantial loan, advance or guarantee, pledge or other financial assistance provided by the Company or any of its subsidiaries to a 10% stockholder,
the adoption of a plan for the voluntary dissolution or liquidation of the Company or amendment to the Company's amended and restated by-laws,
any reclassification of securities or recapitalization of the Company or other transaction which increases a 10% stockholder's proportionate share of any class of the Company's capital stock, or

any agreement or other arrangement to do any of the foregoing.

A 10% stockholder is described in Article Eighth as an Interested Stockholder. A 10% stockholder is generally considered to be any other corporation, person or entity which:

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beneficially owns or controls, directly or indirectly, 10% or more of the voting stock of the Company or has announced a plan or intention to acquire such securities, or is an affiliate or associate of the Company and at any time within two years prior to the date in question was the beneficial owner of 10% or more of the voting stock of the Company.

The following are not considered to be 10% stockholders:

the Company and any of its subsidiaries, and any profit-sharing, employee stock ownership or other employee benefit plan of the Company or any subsidiary, or trustees or fiduciaries for these plans.

An unbiased director is described in Article Eighth as a Disinterested Director. An unbiased director is generally considered to be a director who:

is not related to a 10% stockholder, and was a member of the board of directors prior to the time that the relevant 10% stockholder became a 10% stockholder, or is a successor to an unbiased director, who is not related to a 10% stockholder and was nominated by a majority of unbiased directors.

A director is considered related to a 10% stockholder if he is an affiliate, associate, representative, agent or employee of the 10% stockholder.

Any proposal by a 10% stockholder, or by an affiliate or associate of a 10% stockholder, to change or repeal all or any part of Article Eighth requires the affirmative vote of the holders of a majority of the Company's outstanding voting power, voting together as a single class. Any voting stock owned by a 10% stockholder will not be counted in the vote. However, if a majority of unbiased directors recommends a change in Article Eighth, the standard voting requirements of Delaware law, our restated certificate of incorporation and our amended and restated by-laws that otherwise apply will govern the vote.

Delaware Business Combination Statute. Section 203 of the General Corporation Law of the State of Delaware (the DGCL), is applicable to the Company. Section 203 of the DGCL restricts some types of transactions and business combinations between a corporation and a 15% stockholder. A 15% stockholder is generally considered by Section 203 to be a person owning 15% or more of the corporation's outstanding voting stock. Section 203 refers to a 15% stockholder as an interested stockholder. Section 203 restricts these transactions for a period of three years from the date the stockholder acquires 15% or more of the Company's outstanding voting stock. With some exceptions, unless the transaction is approved by the board of directors and the holders of at least two-thirds of the outstanding voting stock of the corporation, Section 203 prohibits significant business transactions such as:

a merger with, disposition of significant assets to or receipt of disproportionate financial benefits by the interested stockholder, and any other transaction that would increase the interested stockholder's proportionate ownership of any class or series of the Company's capital stock.

The shares held by the interested stockholder are not counted as outstanding when calculating the two-thirds of the outstanding voting stock needed for approval.

The prohibition against these transactions does not apply if:

prior to the time that any stockholder became an interested stockholder, the board of directors approved either the business combination or the transaction in which such stockholder acquired 15% or more of the Company's outstanding voting stock, or
the interested stockholder owns at least 85% of the outstanding voting stock of the Company as a result of the transaction in which such stockholder acquired 15% or more of the Company's outstanding voting

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stock. Shares held by persons who are both directors and officers or by some types of employee stock plans are not counted as outstanding when making this calculation.

Listing. Our common stock is listed on the New York and Chicago Stock Exchanges under the trading symbol MMC and on the London Stock Exchange under the trading symbol MHM.

Preferred Stock

General. The Company is authorized to issue 6,000,000 shares of preferred stock. No shares of preferred stock are currently issued or outstanding. The board of directors of the Company may, without stockholder approval, issue shares of preferred stock. The board of directors can issue more than one series of preferred stock. The board of directors has the right to fix the number of shares, dividend rights, conversion rights, voting rights, redemption rights, sinking fund provisions, liquidation preferences and any other rights, preferences, privileges and restrictions applicable to the preferred stock it decides to issue.

Voting Rights. The DGCL provides that the holders of preferred stock will have the right to vote separately as a class on any proposal involving fundamental changes in the rights of holders of such preferred stock.

Conversion or Exchange. If we offer preferred stock, the applicable prospectus supplement will describe the terms, if any, on which the preferred stock may be convertible into or exchangeable for common stock, debt securities or other preferred stock of the Company. These terms will include provisions as to whether conversion or exchange is mandatory, at the option of the holder or at the option of the Company. These provisions may allow or require the number of shares of common stock or other securities of the Company to be received by the holders of preferred stock to be adjusted.

Depository Shares Representing Preferred Stock

The applicable prospectus supplement will include a description of the material terms of any depository shares representing preferred stock offered hereby.

Description of Debt Securities

The debt securities will be our direct unsecured general obligations. The debt securities will be either senior debt securities or subordinated debt securities. The debt securities will be issued under one or more separate indentures between us and The Bank of New York Mellon, as trustee. Senior debt securities will be issued under a senior indenture between us and The Bank of New York Mellon, as trustee, which we refer to as the senior indenture. Subordinated debt securities will be issued under a subordinated indenture to be executed between us and The Bank of New York Mellon, as trustee, which we refer to as the subordinated indenture. Together the senior indenture and the subordinated indenture are called the indentures.

We have summarized all of the material provisions of the indentures below. The senior indenture and subordinated indenture have been filed as exhibits to the registration statement of which this prospectus forms a part, and you should read the indentures for provisions that may be important to you. In the summary below, we have included references to section numbers of the indentures so that you can easily locate these provisions.

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General

The debt securities will be our direct unsecured general obligations. The senior debt securities will rank equally with all of our other senior and unsubordinated debt. The subordinated debt securities will have a junior position to all of our senior debt.

Because we are a holding company that conducts all of its operations through subsidiaries, holders of the debt securities will have a junior position to claims of creditors of our subsidiaries, including trade creditors, debt holders, secured creditors, taxing authorities, guarantee holders and any preferred stockholders.

The provisions of each indenture allow us to reopen a previous issue of a series of debt securities and issue additional debt securities of that series.

A prospectus supplement relating to any series of debt securities being offered will include specific terms relating to the offering. The terms will be established in an officers' certificate or a supplemental indenture. The officers' certificate or supplemental indenture will be signed at the time of issuance and will contain important information. The officers' certificate or supplemental indenture will be filed as an exhibit to a Current Report on Form 8-K of the Company, which will be publicly available. The officers' certificate or supplemental indenture will include some or all of the following terms for a particular series of debt securities:

- the title of the securities;
- any limit on the amount that may be issued;
- whether or not the debt securities will be issued in global form and who the depositary will be;
- the maturity date(s);
- the interest rate or the method of computing the interest rate;
- the date or dates from which interest will accrue, or how such date or dates will be determined, and the interest payment date or dates and any related record dates;
- the place(s) where payments will be made;
- the Company's right, if any, to defer payment of interest and the maximum length of any deferral period;
- the terms and conditions on which the debt securities may be redeemed at the option of the Company;
- the date(s), if any, on which, and the price(s) at which the Company is obligated to redeem, or at the holder's option to purchase, such series of debt securities and other related terms and provisions;
- any provisions granting special rights to holders when a specified event occurs;
- any changes to or additional events of default or covenants;
- any special tax implications of the debt securities;
- the denominations in which the debt securities will be issued, if other than denominations of \$1,000 and whole multiples of \$1,000;
- the subordination terms of any subordinated debt securities; and
- any other terms that are not inconsistent with the indenture. (section 2.01)

Fixed Rate Debt Securities

Each fixed rate debt security will mature on the date specified in the applicable prospectus supplement.

Each fixed rate debt security will bear interest from the date of issuance at the annual rate stated on its face until the principal is paid or made available for payment. Interest on fixed rate debt securities will be computed on the basis of a 360-day year of twelve 30-day months. Interest on fixed rate debt securities will accrue from and including the most

recent interest payment date in respect of which interest has been paid or duly provided for, or, if no interest has been paid or duly provided for, from and including the issue date or any other date specified in a prospectus supplement on which interest begins to accrue. Interest will accrue to but excluding the next interest payment date, or, if earlier, the date of maturity or earlier redemption or repayment, as the case may be.

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Payments of interest on fixed rate debt securities will be made on the interest payment dates specified in the applicable prospectus supplement. However, if the first interest payment date is less than 15 days after the date of issuance, interest will not be paid on the first interest payment date, but will be paid on the second interest payment date.

Unless otherwise specified in the applicable prospectus supplement, if any scheduled interest payment date, maturity date or date of redemption or repayment is not a business day, then we may pay the applicable interest, principal and premium, if any, on the next succeeding business day, and no additional interest will accrue during the period from and after the scheduled interest payment date, maturity date or date of redemption or repayment. (section 13.07)

A fixed rate debt security may pay a level amount in respect of both interest and principal amortized over the life of the debt security. Payments of principal and interest on amortizing debt securities will be made on the interest payment dates specified in the applicable prospectus supplement, and at maturity or upon any earlier redemption or repayment. Payments on amortizing debt securities will be applied first to interest due and payable and then to the reduction of the unpaid principal amount. We will provide to the original purchaser, and will furnish to subsequent holders upon request to us, a table setting forth repayment information for each amortizing debt security.

Floating Rate Debt Securities

Each floating rate debt security will mature on the date specified in the applicable prospectus supplement.

Unless otherwise specified in the applicable prospectus supplement, each floating rate debt security will bear interest at LIBOR plus a margin to be specified in the applicable prospectus supplement. A floating rate debt security may also have either or both of the following limitations on the interest rate:

- a maximum limitation, or ceiling, on the rate of interest which may accrue during any interest period, which we refer to as the maximum interest rate ; and/or
- a minimum limitation, or floor, on the rate of interest that may accrue during any interest period, which we refer to as the minimum interest rate.

Any applicable maximum interest rate or minimum interest rate will be set forth in the applicable prospectus supplement.

Interest on floating rate debt securities will accrue from and including the most recent interest payment date to which interest has been paid or duly provided for, or, if no interest has been paid or duly provided for, from and including the issue date or any other date specified in a prospectus supplement on which interest begins to accrue. Interest will accrue to but excluding the next interest payment date, or, if earlier, the date on which the principal has been paid or duly made available for payment, except as described below.

The interest rate in effect from the date of issue to the first interest reset date for a floating rate debt security will be the initial interest rate specified in the applicable prospectus supplement. We refer to this rate as the initial interest rate. The interest rate on each floating rate debt security may be reset daily, weekly, monthly, quarterly, semiannually or annually. This period is the interest reset period and the first day of each interest reset period is the interest reset date. The interest determination date for any interest reset date is the day the calculation agent will refer to when determining the new interest rate at which a floating rate will reset.

LIBOR for each interest reset date, other than for the initial interest rate, will be determined by the calculation agent as follows:

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- i. LIBOR will be the offered rate for deposits in U.S. dollars for the three month period which appears on Telerate Page 3750 at approximately 11:00 a.m., London time, two London banking days prior to the applicable interest reset date.
- ii. If this rate does not appear on the Telerate Page 3750, the calculation agent will determine the rate on the basis of the rates at which deposits in U.S. dollars are offered by four major banks in the London interbank market (selected by the calculation agent after consulting with us) at approximately 11:00 a.m., London time, two London banking days prior to the applicable interest reset date to prime banks in the London interbank market for a period of three months commencing on that interest reset date and in principal amount equal to an amount not less than \$1,000,000 that is representative for a single transaction in such market at such time. In such case, the calculation agent will request the principal London office of each of the aforesaid major banks to provide a quotation of such rate. If at least two such quotations are provided, LIBOR for that interest reset date will be the average of the quotations. If fewer than two quotations are provided as requested, LIBOR for that interest reset date will be the average of the rates quoted by three major banks in New York, New York (selected by the calculation agent after consulting with us) at approximately 11:00 a.m., New York time, two London banking days prior to the applicable interest reset date for loans in U.S. dollars to leading banks for a period of three months commencing on that interest reset date and in a principal amount equal to an amount not less than \$1,000,000 that is representative for a single transaction in such market at such time; provided that if fewer than three quotations are provided as requested, for the period until the next interest reset date, LIBOR will be the same as the rate determined on the immediately preceding interest reset date.

The interest reset dates will be specified in the applicable prospectus supplement. If an interest reset date for any floating rate debt security falls on a day that is not a business day, it will be postponed to the following business day, except that, if that business day is in the next calendar month, the interest reset date will be the immediately preceding business day.

A London banking day is any day in which dealings in U.S. dollar deposits are transacted in the London interbank market. Telerate Page 3750 means the display page so designated on the Telerate Service for the purpose of displaying London interbank offered rates of major banks (or any successor page).

The applicable prospectus supplement will specify a calculation agent for any issue of floating rate debt securities. The calculation agent will, upon the request of the holder of any floating rate debt security, provide the interest rate then in effect. All calculations made by the calculation agent in the absence of willful misconduct, bad faith or manifest error shall be conclusive for all purposes and binding on us and the holders of the floating rate debt securities. We may appoint a successor calculation agent at any time at our discretion and without notice.

All percentages resulting from any calculation of the interest rate with respect to the floating rate debt securities will be rounded, if necessary, to the nearest one-hundred thousandth of a percentage point, with five one-millionths of a percentage point rounded upward (e.g., 9.876545% (or .09876545) would be rounded to 9.87655% (or .0987655) and 9.876544% (or .09876544) would be rounded to 9.87654% (or .0987654)), and all dollar amounts in or resulting from any such calculation will be rounded to the nearest cent (with one-half cent being rounded upward).

Interest on the floating rate debt securities will be computed and paid on the basis of a 360-day year and the actual number of days in each interest payment period. The interest rate on the floating rate debt securities will in no event be higher than the maximum rate permitted by New York law, as the same may be modified by United States law of general application.

We will pay interest on floating rate debt securities on the interest payment dates specified in the applicable prospectus supplement. However, if the first interest payment date is less than 15 days after the date of issuance, interest will not be paid on the first interest payment date, but will be paid on the second interest payment date. If

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any scheduled interest payment date, other than the maturity date or any earlier redemption or repayment date, for any floating rate debt security falls on a day that is not a business day, it will be postponed to the following business day, except that if that business day would fall in the next calendar month, the interest payment date will be the immediately preceding business day. If the scheduled maturity date or any earlier redemption or repayment date of a floating rate debt security falls on a day that is not a business day, the payment of principal, premium, if any, and interest, if any, will be made on the next succeeding business day, but interest on that payment will not accrue during the period from and after the maturity, redemption or repayment date.

Conversion or Exchange Rights

The prospectus supplement will describe the terms, if any, on which a series of debt securities may be convertible into or exchangeable for our common stock, preferred stock, debt securities or other securities, or securities of third parties. These terms will include provisions as to whether conversion or exchange is mandatory, at the option of the holder or at the option of the Company. These provisions may allow or require adjustment of the number of shares of common stock or other securities of the Company to be received by the holders of such series of debt securities. (section 2.01)

Optional Redemption

Unless the prospectus supplement relating to any series of debt securities provides otherwise with respect to such series, each series of debt securities will be redeemable in whole at any time or in part from time to time, at our option, at a redemption price equal to the greater of:

100% of the principal amount of the series of debt securities to be redeemed; or
the sum of the present values of the remaining scheduled payments of principal and interest on the series of debt securities to be redeemed (exclusive of interest accrued to the date of redemption) discounted to the date of redemption on a semiannual basis (assuming a 360-day year consisting of twelve 30-day months) at the then current Treasury Rate plus a spread as specified in the applicable prospectus supplement.

In each case we will pay accrued and unpaid interest on the principal amount to be redeemed to the date of redemption.

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

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

Independent Investment Banker means the investment banking institution or institutions specified in the applicable prospectus supplement and their respective successors, or, if such firms or the successors, if any, to such firm or firms, as the case may be, are unwilling or unable to select the Comparable Treasury Issue, an independent investment banking institution of national standing appointed by us.

Reference Treasury Dealer means the investment banking institutions specified as such in the applicable prospectus supplement; provided, however, that if any of them ceases to be a primary U.S. Government securities dealers (each a Primary Treasury Dealer), we will substitute another Primary Treasury Dealer.

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

Treasury Rate means, with respect to any redemption date, the rate per year equal to:

- i. the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated H.15(519) or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption Treasury Constant Maturities, for the maturity corresponding to the Comparable Treasury Issue; provided that, if no maturity is within three months before or after the remaining life of the series of debt securities to be redeemed, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the Treasury Rate shall be interpolated or extrapolated from those yields on a straight line basis, rounding to the nearest month; or
- ii. if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per year equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

The Treasury Rate will be calculated on the third business day preceding the redemption date. As used in the immediately preceding sentence and in the definition of Reference Treasury Dealer Quotations above, the term business day means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed.

Notice of any redemption will be mailed at least 30 but not more than 90 days before the redemption date to each holder of record of the series of debt securities to be redeemed at its registered address. The notice of redemption will state, among other things, the amount of the series of debt securities to be redeemed, the redemption date, the manner in which the redemption price will be calculated and the place or places that payment will be made upon presentation and surrender of the series of debt securities to be redeemed. If less than all of a series of debt securities are to be redeemed at our option, the trustee will select, in a manner it deems fair and appropriate, the debt securities of that series, or portions of the debt securities of that series, to be redeemed. Unless we default in the payment of the redemption price with respect to any debt securities called for redemption, interest will cease to accrue on such debt securities at the redemption date. (sections 3.02 and 3.03)

The Company will not be required (i) to issue, register the transfer of or exchange any series of debt securities during a period beginning at the opening of business 15 days before the day of mailing of a notice of redemption and ending at the close of business on the day of such mailing, or (ii) to register the transfer of or exchange any debt securities of any series so selected for redemption in whole or in part, except the unredeemed portion of any such series of debt securities being redeemed in part. (section 2.05)

Covenants

Under the indentures, the Company agrees to pay the interest, principal and any premium on the debt securities when due (section 4.01), and to maintain a place of payment (section 4.02). In addition, we must comply with the covenants described below:

Limitation on Liens on Stock of our Significant Subsidiaries. The indentures prohibit us and our subsidiaries from directly or indirectly creating, assuming, incurring or permitting to exist any Indebtedness secured by any lien

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on the voting stock or voting equity interest of Marsh Inc. or Mercer Inc. (each a Significant Subsidiary) unless the debt securities then outstanding (and, if we so elect, any other Indebtedness of the Company that is not subordinate to such debt securities and with respect to which we are obligated to provide such security) are secured equally and ratably with such Indebtedness for so long as such Indebtedness is so secured. Indebtedness is defined as the principal of and any premium and interest due on indebtedness of a person (as defined in the indentures), whether outstanding on the original date of issuance of a series of debt securities or thereafter created, incurred or assumed, which is (a) indebtedness for money borrowed, and (b) any amendments, renewals, extensions, modifications and refundings of any such indebtedness. For the purposes of this definition, indebtedness for money borrowed means (1) any obligation of, or any obligation guaranteed by, such person for the repayment of borrowed money, whether or not evidenced by bonds, debentures, notes or other written instruments, (2) any obligation of, or any obligation guaranteed by, such person evidenced by bonds, debentures, notes or similar written instruments, including obligations assumed or incurred in connection with the acquisition of property, assets or businesses (provided, however, that the deferred purchase price of any business or property or assets shall not be considered Indebtedness if the purchase price thereof is payable in full within 90 days from the date on which such indebtedness was created), and (3) any obligations of such person as lessee under leases required to be capitalized on the balance sheet of the lessee under generally accepted accounting principles and leases of property or assets made as part of any sale and lease-back transaction to which such person is a party. For purposes of this covenant only, Indebtedness also includes any obligation of, or any obligation guaranteed by, any person for the payment of amounts due under a swap agreement or similar instrument or agreement, or under a foreign currency hedge or similar instrument or agreement. If we are required to secure outstanding debt securities equally and ratably with other Indebtedness under this covenant, we will be required to document our compliance with the covenant and thereafter the trustee will be authorized to enter into a supplemental agreement or indenture and to take such action as it may deem advisable to enable it to enforce the rights of the holders of the outstanding debt securities so secured. (section 4.06)

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The companies in the peer group were selected by the Compensation Committee based on the nature, composition, geographic scope, complexity and key financial data of potential peer companies in the packaging, paper, manufacturing and industrial businesses. The Compensation Committee reviews the peer group compensation in comparison with the Company's Senior Executive Officer compensation levels. The Compensation Committee does not establish targets or benchmarks in assessing peer data in comparison with the Company's executive compensation, but rather uses peer and other market data to confirm that the Company's compensation awards are comparable and competitive with peer and market data. For the 2014 fiscal year, the Company's peer group consisted of the following companies:

Aptargroup, Inc.	Owens-Illinois, Inc.
Armstrong World Industries, Inc.	Packaging Corporation of America
Avery Dennison Corporation	Rock-Tenn Company
Ball Corporation	Sealed Air Corporation
Berry Plastics Group, Inc.	Silgan Holdings, Inc.
Bemis Company Inc.	Sonoco Products Company
Crown Holdings, Inc.	USG Corporation
Graphic Packaging Holding Company	Valmont Industries, Inc.
MeadWestvaco Corp.	Vulcan Materials Company
Owens Corning	

Elements of Compensation

During the 2014 fiscal year, the key elements of the Company's compensation package were base salary, cash awards under the Short Term Incentive Plan, a combination of cash and restricted stock awards under the Long Term Incentive Plan, retirement benefits under various Company sponsored pension plans, deferred cash awards under a deferred compensation plan and a supplemental executive retirement plan (the SERP) or defined contribution supplemental executive retirement plan (the DC SERP). The Company also offers annual physical health exams as a requisite and other benefits to its Senior Executive Officers, such as a 401(k) plan available to all U.S. employees that provides eligible participants with a variety of investment choices, including a Company stock fund. Named Executive Officers may have, under certain limited and atypical or emergency circumstances, personal use of the Company's aircraft, and one of our Named Executive Officers has an expatriate assignment in Europe where other requisites are typically offered. See Requisites below and Footnote (6) to the Summary Compensation Table.

The Compensation Committee uses tally sheets for the Chief Executive Officer and each of the other Senior Executive Officers to review total compensation and each of the elements of compensation. These tally sheets typically contain the following information: current base salary; the Short Term Incentive Plan payments for the preceding two fiscal years, and the anticipated payment for the fiscal year just ended; the Long Term Incentive Plan payments for the preceding two fiscal years, and the anticipated payment to be made for the three-year period just ended; the current value of the SERP or the DC SERP, as applicable; the value of the Company's requisites (discussed below); and the value of any unexercised stock options. Tally sheets are used by the Compensation Committee to ensure that it has access to a comprehensive summary of each Senior Executive Officer's total compensation, or potential total compensation, as the Compensation Committee makes compensation decisions for the next calendar year. The Compensation Committee's final determinations regarding one element of compensation are independent of the other elements of compensation and do not affect decisions regarding those other elements of compensation, other than to the extent that awards under the Short Term Incentive Plan and the Long Term Incentive Plan are calculated by using a percentage of base salary. Further, the base salaries are also compared to the compensation levels of other executive officers having equivalent responsibility within the Company for internal fairness purposes.

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Base Salary

For the 2015 calendar year, the base salaries for the Chief Executive Officer and each of the other Named Executive Officers is based upon the scope of their responsibilities and an assessment of each of their contributions towards the Company's success. In addition, each Senior Executive Officer's base salary was impacted by his performance during the prior twelve-month period against the criteria described below in 2014 Performance Reviews of Chief Executive Officer and Other Named Executive Officers, as reviewed by the Compensation Committee and recommended by Mr. Fischer (for each Senior Executive Officer other than himself). The base salaries were also compared to the compensation levels of other executive officers having equivalent responsibility at the peer group companies to confirm that the base salaries were competitive with the market. In making his base salary recommendations for calendar year 2015, Mr. Fischer acknowledged the efforts of all Senior Executive Officers in 2014 in conducting a thorough strategic analysis of the Company's business segments and the development of a transformation plan and process to fix, sell or close underperforming businesses while optimizing core businesses. In addition, he noted the following factors for the performance of each of the Senior Executive Officers during the prior calendar year: for Mr. Hilsheimer, his outstanding leadership in the finance department and in the Company's transition to new independent auditors; for Mr. Watson, his leadership style provided confidence to the Company's business leaders and additional focus on customers with respect to ongoing business operations and the Company's transformation plan and strategy; for Mr. Martz, his keen insight and counsel continued to guide the Company as its general counsel and in his temporary role as Chief Administrative Officer; and for Mr. Signorelli, his firm business guidance and leadership generated positive results amid the economic uncertainties in the EMEA/APAC region.

For calendar year 2015, the Compensation Committee approved a 5.7% increase for Mr. Watson and a 3% increase for Messrs. Martz and Signorelli, respectively; there were no increases for Messrs. Fischer and Hilsheimer.

Short Term Incentive Plan

The Short Term Incentive Plan is intended to provide short-term incentive compensation to participants, which, consistent with our compensation objectives, is linked to the profitability of the Company's businesses during each fiscal year. The Short Term Incentive Plan, which has received stockholder approval, is also intended to provide participants with incentive compensation that is not subject to the deduction limitation rules prescribed under Section 162(m) of the Code. See Tax Considerations Affecting Compensation Decisions below.

The Special Subcommittee administers the Short Term Incentive Plan. Among other matters, the Special Subcommittee approves participants for the Short Term Incentive Plan from among the Company's executive employees and determines the performance goals, target amounts, award opportunities and other terms and conditions of awards under the Short Term Incentive Plan. Awards under the Short Term Incentive Plan consist of cash amounts payable upon the achievement, during a specified performance period, of specified objective performance goals. At the beginning of a performance period for a given award, the Special Subcommittee establishes the performance goals, award opportunity and the target amount of the award which will be earned by the Named Executive Officers if the performance goals are achieved in full, together with any lesser or greater amount that will be earned if the performance goals are only partially achieved or exceeded. After the end of the performance period, the Special Subcommittee certifies the extent to which the performance goals are achieved and determines the amount of the award that is payable.

Consistent with prior years, the Short Term Incentive Plan's 2014 fiscal year financial performance goals were based, and its 2015 fiscal year financial performance measures are based, upon the achievement of targeted measures of return on net assets (RONA), subject to such adjustments that the Special Subcommittee determines to be necessary to reflect accurately the RONA of the Company and/or one or more operating groups of the Company on the award date. The Special Subcommittee

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originally chose RONA as the measure for the Short Term Incentive Plan because it believed this metric to be the best measure of current profitability supporting growth. For fiscal years 2012, 2013 and 2014, the targeted measure of RONA for all Named Executive Officers was based on corporate performance (Corporate RONA), except with respect to Mr. Signorelli. For fiscal years 2013 and 2014, Mr. Signorelli's award was based 50% on Corporate RONA and 50% on the RONA of the Company's Rigid Industrial Packaging & Services business segments in the Europe, Middle East and Africa and the Asia Pacific regions (EMEA/APAC RONA). For fiscal year 2012, Mr. Signorelli's award was based 50% on Corporate RONA and 50% on the RONA of the Company's Rigid Industrial Packaging & Services business segments in the Europe, Middle East and Africa only.

No incentive bonus is paid if the RONA calculation is below the threshold established for that specific performance period, using the formula for the calculation as stated in the Short Term Incentive Plan (see the Summary Compensation Table and Grants of Plan-Based Awards Table below for information on the plan formula). For fiscal year 2014, the threshold Corporate RONA and EMEA/APAC RONA calculations were 9.8% and 17.3%, respectively, and for fiscal year 2015 the threshold Corporate RONA is 10.75%. Achievement of the applicable threshold RONA calculation would result in a 50% payout of each individual Named Executive Officer's award potential. For fiscal year 2014, the target Corporate RONA and EMEA/APAC RONA calculations were 12.3% and 21.6%, respectively, and for fiscal year 2015 the target Corporate RONA is 13.44%. Achievement of the applicable target RONA calculation would result in a 100% payout of each eligible individual Named Executive Officer's award potential. For fiscal year 2014, the maximum Corporate RONA and EMEA/APAC RONA calculations were 14.8% and 25.9%, respectively, and for fiscal year 2015 the maximum Corporate RONA is 16.13%. Achievement of the applicable maximum RONA calculation would result in a 200% payout of each individual Named Executive Officer's award potential. No additional incentive bonus is paid beyond the established applicable maximum RONA calculation for each performance period. Under the Short Term Incentive Plan, the maximum payment that could be paid to any participant during any twelve-month period is \$2.0 million. The Special Subcommittee establishes the threshold number as being realistic and the maximum as being aggressive for each performance period.

For fiscal year 2014, Mr. Fischer's award potential was 110% of his base salary, Mr. Hilsheimer's award potential was 75% of his base salary (subject to a 50% prorated reduction based upon his date of hire), Mr. Watson's award potential was 70% of his base salary, Mr. Martz's award potential was 65% of his base salary, Mr. Signorelli's award potential was 60% of his base salary, and Mr. Andre's award potential was 40% of his base salary. The award potential for each Senior Executive Officer will remain the same for fiscal year 2015.

Long Term Incentive Plan

The Long Term Incentive Plan is intended to focus management on the key measures that drive superior performance over the longer-term. The Long Term Incentive Plan is also intended to provide participants with incentive compensation that is not subject to the deduction limitation rules prescribed under Section 162(m) of the Code. See Tax Considerations Affecting Compensation Decisions below.

The Special Subcommittee administers the Long Term Incentive Plan. Employees of the Company who are designated by the Special Subcommittee as key employees are eligible to participate in and receive awards under the Long Term Incentive Plan. Specifically, the Long Term Incentive Plan is based on three-year performance periods that commence at the start of every fiscal year. At the beginning of each three-year performance period, the Special Subcommittee selects and establishes the award opportunity for each Named Executive Officer based on the Special Subcommittee's reasoned business judgment and subjective review of, based in part on the recommendation of the Chief Executive Officer, his or her scope of responsibility and historical performance and the performance goals for that three-year performance period which, if met, will entitle the executive to the payment of the incentive compensation award.

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For each three-year performance period commencing prior to November 1, 2011, the performance goals were based in equal parts on targeted levels of earnings per share and free cash flow. These two metrics were originally chosen by the Special Subcommittee because it believed that in the aggregate they best measured long-term growth and the creation of shareholder value. For the purposes of the Long Term Incentive Plan, earnings per share for a performance period are subject to adjustments determined by the Special Subcommittee as necessary to reflect accurately the earnings per share of the Company at the award date. For the purposes of the Long Term Incentive Plan, free cash flow, means the Company's net cash provided by operating activities for the performance period, subject to adjustments determined by the Special Subcommittee as necessary to reflect accurately the free cash flows of the Company at the grant date. For the three-year performance periods commencing on and after November 1, 2011, the performance goals are based on targeted levels of earnings before interest, taxes, depreciation, depletion and amortization (EBITDA). This measure was chosen because the Special Subcommittee believes it is the one most aligned with current analyses for maximizing shareholder value.

For each performance period, participants are to be paid 50% in cash and 50% in restricted shares of the Company's Class A and/or Class B Common Stock, as determined by the Special Subcommittee, with the number of restricted shares awarded being based on the average closing price of such restricted shares during the 90 day period preceding the day that the performance criteria for the applicable three-year performance period was established. The Special Subcommittee believes that awarding restricted shares in lieu of cash better aligns the interests of the Named Executive Officers and other key employees with the interests of the Company's stockholders and facilitates compliance with the stock ownership guidelines by participants. See Stock Ownership Guidelines below. All restricted stock issued pursuant to the Long Term Incentive Plan is fully vested on the date of issuance, with a restriction on the sale or transfer of the restricted shares within a prescribed time period determined by the Special Subcommittee (typically one year and one day from the date of issuance) that is not impacted in any way upon a change in control of the Company.

The Special Subcommittee may establish a range of performance goals which correspond to, and will entitle participants to receive, various levels of awards based on percentage multiples of the target incentive award, which is the incentive compensation amount to be paid to participants when the performance criteria designated as the 100% award level is met. The Special Subcommittee establishes the target incentive award for each participant based on a percentage of that participant's average base salary (exclusive of any bonus and other benefits) during the three-year performance period. Under the Long Term Incentive Plan, each range of performance goals may include levels of performance above and below the 100% performance level, ranging from a minimum of 0% to a maximum of 200% of the target incentive award. The Special Subcommittee may also establish a minimum level of performance goal achievement below which no awards are paid to any participant. For the three-year performance periods commencing in fiscal years 2012, 2013 and 2014, the minimum level of performance goal achievement is 33% of the target award.

After the performance goals are established, the Special Subcommittee aligns the achievement of the performance goals with the award opportunities, such that the level of achievement of the pre-established performance goals at the end of the performance period determines the final awards (i.e., the actual incentive compensation earned during the performance period by the participant). The established award opportunities vary in relation to the scope of responsibilities of each participant and historical performance.

For the three-year period that ended in fiscal year 2014:

the three-year cumulative threshold EBITDA was \$1,353 million, the achievement of which would result in a 33% payout of each individual Named Executive Officer's award potential;

the three-year cumulative target EBITDA was \$1,691 million, the achievement of which would result in a 100% payout of each individual Named Executive Officer's award potential; and

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the three-year cumulative maximum EBITDA was \$2,029 million, the achievement of each of which would result in a 200% payout of each eligible individual Senior Executive Officer's award potential and a 150% payout for Mr. Andre).

The Special Subcommittee established the threshold number as being realistic to achieve and the maximum as being difficult to achieve for this performance period.

For the three-year period that ended in fiscal year 2014, for Mr. Fischer the award potential was 300% of his base salary, for Mr. Watson the award potential was 100% of his base salary, for Mr. Martz the award potential was 160% of his base salary, for Mr. Signorelli the award potential was 130% of his base salary and for Mr. Andre the award potential was 75% of his base salary. Mr. Hilsheimer was not eligible for an award during this period.

Under the Long Term Incentive Plan for the three year periods ending on or before October 31, 2013, threshold, target and maximum earnings per share and free cash flow calculations were established for each performance period the achievement of which would result in a 33%, 100% and 150% (200% for certain senior executives, including the Senior Executive Officers), respectively, payout for that component of each individual Named Executive Officer's award potential.

Confidentiality The Company's EBITDA performance goals, used in the Long Term Incentive Plan for each of the three year periods ending in fiscal year 2015, 2016 and 2017, the Class A Common Stock target price performance goals used in the Two Year Plan (see Two-Year Reinvigorated Incentive Plan below) and the EMEA/APAC RONA performance goals for fiscal year 2015 are not included in this Compensation Discussion and Analysis section because the Company believes that disclosure of this information would cause the Company substantial competitive harm. In the rigid industrial packaging and the flexible products segments of the Company's business, which account for over three-quarters of the Company's revenues, the Company's competitors are mostly privately-held companies that generally do not disclose their financial information, executive salaries and other key information to the public. The Company does not provide stock price guidance or target prices to investors and although the Company provides earnings guidance to investors, the Company attempts to incentivize key employees at levels above and below this guidance at a higher or lower percentage of their annual base salaries and the public disclosure of such levels could create confusion with investors. In addition, the public disclosure of the prospective targets and ranges of EBITDA under our Long Term Incentive Plan would cause substantial competitive harm because, among other matters, the Company would be disclosing to its competitors the long-term bonus structure of its Named Executive Officers and other key employees and would be providing competitors with the Company's anticipated level of earnings for the next three years, which could provide significant insight into the Company's corporate initiatives and activities, including merger and acquisition activities and other growth plans. Furthermore, because the Company's significant competitors in the rigid industrial packaging and the flexible products segments do not make similar disclosures, the Company's detailed disclosure of targeted EBITDA gives a competitive advantage to its competitors.

For purposes of illustration and to provide context to our stockholders regarding the difficulty our Named Executive Officers face in achieving the performance targets under the Long Term Incentive Plan, the percent of the target goal achieved for each performance target for each of the three year periods ending in the last three fiscal years is set forth below:

Fiscal Year	EBITDA		Earnings per Share		Operating Cash Flow	
	Target Goal Achieved (%)	Maximum of Target Goal Achievable (%)	Target Goal Achieved (%)	Maximum of Target Goal Achievable (%)	Target Goal Achieved (%)	Maximum of Target Goal Achievable (%)
2014	42	150/200*				
2013			0	150/200*	128	150/200*
2012			0	150/200*	90	150/200*

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* 150% for Mr. Andre and 200% for the eligible Senior Executive Officers and certain other executive employees

Two-Year Reinvigorated Incentive Plan

As discussed under Long Term Incentive Plan above, the performance goals under the Long Term Incentive Plan for the three-year performance periods ending in fiscal years 2014 and 2015 are based on targeted levels of EBITDA. Due to the slow nature of the global economic recovery in 2012 and 2013 and the magnitude of the annual level of targeted increases provided by the Special Subcommittee for those periods, it was apparent that the respective target performance goals for these two three-year performance periods were largely unachievable. Consequently, the Long Term Incentive Plan for those periods had become less effective than originally envisioned in its primary functions of incentivizing management to reach performance targets that drive maximum shareholder value and serving as a means to retain talented employees. The Two-Year Reinvigorated Incentive Plan (the Two Year Plan) adopted in fiscal year 2013 was intended to replace this lost incentive opportunity and to continue to focus management on superior performance over the long-term. The Two Year Plan provides participants with incentive compensation that is subject to the deduction limitation rules prescribed under Section 162(m) of the Code.

The Special Subcommittee administers the Two Year Plan. Employees of the Company who are participants in the Long Term Incentive Plan for one or both of the three year periods ending in 2014 and 2015 are eligible to participate and receive awards under the Two Year Plan. The Two Year Plan contains a single performance period that began December 2, 2013 and ends December 31, 2015. The Special Subcommittee has selected and established an award opportunity for each Named Executive Officer based on the Named Executive Officer's award potential under the Long-Term Incentive Plan for the three year performance periods ending in 2014 and 2015.

The performance goals under the Two Year Plan are based on the price of the Company's Class A Common Stock. This measure was chosen because the Special Subcommittee believes it is closely aligned with maximizing shareholder value. The Special Subcommittee has established three stock price targets for participants that correspond to, and will entitle participants to receive an award equal to 100%, 150% or 200%, respectively, of each individual participant's award opportunity. The stock price targets were calculated by applying specified percentage increases to the average closing stock price measured over a twenty (20) consecutive trading day period commencing ten (10) trading days before the date of the Company's earnings release for fiscal year 2013. A stock price target will be determined to have been met if the Company's Class A Common Stock price closes at or above such target price for twenty (20) consecutive trading days during the performance period, as long as the closing stock price for each of the last twenty (20) trading days preceding December 31, 2015 is at least ninety-five percent (95%) of such target price.

Awards will be based on the highest target price achieved, if any, during the performance period and each participant's payout under the Two Year Plan will be offset by (a) the greater of (i) an amount equal to a fifty percent (50%) target payout for such participant under the Long Term Incentive Plan for the three-year performance period ending in fiscal year 2014, or (ii) the actual payout for such participant under the Long Term Incentive Plan for the three-year performance period ending in fiscal year 2014, so long as such individual is a participant in that performance period, and (b) the greater of (i) an amount equal to a seventy-six percent (76%) target payout for such participant under the Long Term Incentive Plan for the three-year performance period ending in fiscal year 2015, or (ii) the actual payout for such participant under the Long Term Incentive Plan for the three-year performance period ending in fiscal year 2015, so long as such individual is a participant in that performance period. Failure to achieve a stock price target will result in a 0% payout under the Two Year Plan. Participant awards are to be paid 100% in cash.

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Retirement and Deferred Compensation Plans

Pension Plans

The Greif, Inc. Pension Plan (the Pension Plan) is a tax-qualified defined benefit plan meeting the requirements of Section 401(a) of the Code. The Pension Plan is designed to provide benefits to those employees hired in the United States prior to November 1, 2007 who have long and continuous service before retirement. All eligible Named Executive Officers are able to participate in the 35% final average earnings benefit structure under the Pension Plan. Messrs. Hilsheimer and Signorelli are not eligible to participate in the Pension Plan, although Mr. Signorelli is a participant in other pension plans of the Company for non-U.S. employees. The Pension Plan provides for a monthly benefit for the participant's lifetime upon reaching the normal retirement age under the Pension Plan, which is 65. The monthly benefit is calculated by multiplying the participant's annual average compensation (calculated using the five highest years of compensation, capped at Code limits) by 35% and the number of years of service and divided by 12 months. Participants are 100% vested in the Pension Plan once they have been credited with five years of service with the Company. Thus, Messrs. Fischer, Watson and Martz are all 100% vested in the Pension Plan. Once a participant is 100% vested, the participant will have earned a nonforfeitable right to a benefit under the Pension Plan. Benefits commence at the later of age 65 or five years vested in the Pension Plan. The Pension Plan offers early retirement benefits at age 55 on a reduced basis with a required 15 years of service.

Mr. Signorelli participates in pension plans sponsored by subsidiaries of the Company in Brazil and the Netherlands, respectively. These pension plans provide benefits to Mr. Signorelli upon his reaching the normal retirement age under the plans, which is 60 and 65, respectively. Mr. Signorelli is 100% vested in each of the pension plans and has earned a non-forfeitable right to benefits under the plans. The Brazilian pension plan offers early retirement benefits at age 55 with a required 10 years of service. Mr. Signorelli's Netherlands pension plan does not offer early retirement benefits.

Supplemental Executive Retirement Plans

The SERP provides benefits for a select group of executives, including the Senior Executive Officers who participate in a Company sponsored pension plan. The benefit from applicable pension plans and the SERP is equal to a target percentage (ranging from 40% to 50% depending on job classification) times the executive's highest three-year average compensation of the last five years worked by the executive and reduced for less than 20 years of continuous service and for receiving benefits prior to the executive's normal retirement age. Compensation for purposes of the SERP includes base salary and payments under the Short Term Incentive Plan, and benefits are payable quarterly under the SERP for 15 years. Normal retirement age for purposes of the SERP is age 65. Vesting under the SERP requires 10 years of service or the attainment of the normal retirement age with at least five years of service.

Senior Executive Officers who are not eligible to participate in a Company sponsored pension plan, may participate in the DC SERP. Under this plan, each year the Company accrues into an account an amount equal to a specified percentage of the executive's annual Compensation as his future retirement benefit. Compensation for purposes of the DC SERP includes base salary and payments under the Short Term Incentive Plan. This account is also credited annually with interest based on the discount rate used under the Pension Plan. Vesting under the DC SERP requires 10 years of service or the attainment of age 65 with at least five years service. Vested executives are entitled to the payment of a future benefit upon retirement equal to the accrued amounts and credited interest, which is payable in equal installments quarterly over 15 years. As of the date of this Proxy Statement, Mr. Hilsheimer is the only participant in the DC SERP.

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Defined Contribution/401(k) Plan

The Company maintains a tax-qualified defined contribution plan meeting the requirements of Section 401(k) of the Code, commonly called a 401(k) plan, for substantially all of its U.S. employees. The 401(k) plan is available on the same terms to all of our U.S. employees, including our Named Executive Officers who are U.S. employees. Each participant can elect to contribute from 0% to 100% of his or her base salary to the 401(k) plan, subject to Internal Revenue Service and ERISA limitations. The deferred amount is invested in accordance with the election of the participant in a variety of investment choices, including a Company stock fund. Subject to certain limitations, the Company has the option to match a participant's contributions to the 401(k) plan. While a participant is always vested in his or her own salary reduction contributions, the right of a participant to amounts credited to his or her account as company-matching contributions is subject to vesting as provided by the 401(k) Plan.

As a result of global economic conditions and economic uncertainty at the beginning of the 2012 calendar year, the Company's management implemented certain cost-cutting measures, including the suspension of the Company's matching of participant contributions to the 401(k) plan of the Company except as required by collective bargaining agreements. In July 2012, the Company match was reinstated.

Nonqualified Deferred Compensation Plan

The Company has a nonqualified deferred compensation plan for the Company's executive officers, including the Senior Executive Officers, which allows them to defer income into a nonqualified plan. This plan is compliant with the regulations promulgated by the Internal Revenue Service under Section 409A of the Code and provides a vehicle for the executives to defer amounts higher than the IRS limits established for qualified plans. Although the Company has not done so to date, the Company may provide a match on any compensation deferred by the Senior Executive Officers equivalent to the match that would have been made in the qualified plan but for such limits on the amount that could be contributed under the qualified plan. The Company may also make discretionary contributions into each officer's account, but the Company has not done so to date. Base salary, Short Term Incentive Plan and Long Term Incentive Plan payments are all eligible for deferral into this plan. There are no limits on the amounts of compensation eligible for deferral. For example, an executive officer may defer 100% of his or her compensation.

The deferred compensation and Company match (and Company contributions, if any) are deposited into a rabbi trust to protect and segregate the funds. Deferred funds are invested in the same range of investment options as are available in the Company's qualified 401(k) plan.

Each year each Senior Executive Officer makes an election whether or not to participate in the plan and at what level he or she wishes to defer. The executive also chooses the investment fund in which he or she wants the funds to be invested. In addition, the executive chooses the schedule on which these funds are to be distributed to them or their beneficiary upon retirement or death.

Perquisites.

In addition to the compensation described above, the Company administers a health and wellness program for its executive officers, including its Senior Executive Officers, which includes yearly general physical exams. Senior Executive Officers may have under certain limited and atypical or emergency circumstances, personal use of the Company's aircraft. The Company offers no other perquisites to the Senior Executive Officers who work in the United States of America. Mr. Signorelli, who is based in Europe, is provided with a car in accordance with customary local practice as well as benefits customarily provided to employees on expatriate assignments, including a foreign service allowance and certain housing benefits. See Footnote (6) to the Summary Compensation Table for information concerning these perquisites.

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Stock Ownership Guidelines.

In order to better align the interests of the executive officers and key employees of the Company and stockholders of the Company, the Board believes that executive officers and key employees should have a financial stake in the Company. In furtherance of the Company's commitment to sound corporate governance, the Board believes that the President/Chief Executive Officer of the Company should own a minimum of five times his annual base salary in shares of Company common stock, each of the other executive officers of the Company should own a minimum of three times their annual base salary in shares of Company common stock, and each of the other key employees participating in the Long Term Incentive Plan should own a minimum of one times their annual base salary in shares of Company common stock. Beginning five years after initial participation in the Long Term Incentive Plan or the attainment of a position that requires a higher threshold, officers and other key employees of the Company, including the Chief Executive Officer, are required to retain 100% of their shares of restricted stock awarded under the Long Term Incentive Plan (all of which shares are fully vested upon issuance) until such ownership thresholds have been achieved. The Board will evaluate whether exceptions should be made in the case of any employee who, due to his or her unique financial circumstances, would incur a hardship by complying with these requirements.

Tax Considerations Affecting Compensation Decisions.

Section 162(m) of the Code imposes a limit on the amount of compensation that the Company may deduct in any one year with respect to certain covered employees, unless certain specific and detailed criteria are satisfied. Performance-based compensation, as defined in the Code, is fully deductible if the programs are approved by stockholders and meet other requirements. The Short Term Incentive Plan and Long Term Incentive Plan have both been approved by our stockholders and thus are designed to permit us to receive a federal income tax deduction for the awards made pursuant to these incentive plans. However, we seek to maintain flexibility in compensating our executives, and as a result, our Compensation Committee has not adopted a policy requiring all compensation to be deductible.

In addition, if any of the Company's covered employees' average base salary during the three-year performance period under our Long Term Incentive Plan exceeds by more than 130% such person's base salary on the first day of the performance period, then such person's average base salary for purposes of calculating the final award will be capped at 130% of such person's base salary on the first day of the performance period.

2014 Performance Reviews of Chief Executive Officer and Other Named Executive Officers

In December 2014, the Compensation Committee reviewed the performance of Mr. Fischer and the other Senior Executive Officers based upon certain pre-established performance categories approved by the Compensation Committee. The performance categories were determined by the Compensation Committee to be aligned with the Company's compensation policies and philosophies. These performance categories were also reviewed by Mr. Fischer in connection with his recommendations to the Compensation Committee. These categories are as follows:

1. Financial Performance Results
2. Strategic Effectiveness and Innovation
3. Business Management
4. Talent Management
5. Personal Effectiveness

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As Chief Executive Officer, the Compensation Committee added Board Relations as an additional performance category for Mr. Fischer.

Mr. Fischer reviewed each Senior Executive Officer (other than himself) based on the above five categories using three criteria exceeds expectations, meets expectations and needs improvement, as well as using other subjective assessments of performance, and reported his subjective determinations to the Compensation Committee. No single factor was given specific relative weight by Mr. Fischer or the Compensation Committee, but all of the factors were considered in the aggregate in their collective experience and reasoned business judgment. The Compensation Committee and Special Subcommittee considered the proposed adjustments, if any, to the base salary, Short Term Incentive Plan and Long Term Incentive Plan compensation, and award opportunities for the Senior Executive Officers and determined they were at appropriate levels in light of the salaries and bonuses of other executive officers in equivalent roles in the Company's peer group and market data provided by Towers Watson.

In reviewing Mr. Fischer's performance as Chief Executive Officer for the 2014 fiscal year, the Compensation Committee solicited written comments from all members of the Board of Directors based on the above six categories using the following criteria exceeds expectations; meets expectations; and needs improvement. The Compensation Committee compiled the written comments. In evaluating the 2014 fiscal year performance of Mr. Fischer with respect to each of the categories of his compensation, the Compensation Committee specifically discussed and recognized the following factors of Mr. Fischer's performance during the year:

His leadership in conducting a thorough strategic analysis of the Company's business segments and the development of a transformation plan and process to fix, sell or close underperforming businesses while optimizing core businesses;

His adept handling of several personnel matters including the appointment of a Chief Operating Officer, the creation of a global strategy position, the leadership transition in Flexible Products & Services and the hiring of a highly qualified Chief Financial Officer;

His resolve in dealing with the criminal occupation of a facility in Turkey and the replacement of the Company's external auditors; and

His commitment to continuing to drive the Company's safety performance to world-class status.

Compensation of the Chief Executive Officer and Other Named Executive Officers

As indicated above, in December 2014, the Compensation Committee and Special Subcommittee met to review the Company's goals as they relate to the compensation of the Chief Executive Officer and the other Senior Executive Officers in order to establish and formalize the criteria to be used in determining their compensation for the next calendar year.

The Special Subcommittee considered the base salary, Short Term Incentive Plan and Long Term Incentive Plan compensation and award opportunities for Mr. Fischer for 2014. Mr. Fischer's base salary was \$1,010,000 during calendar year 2014. Upon consideration, the Special Subcommittee decided to maintain Mr. Fischer's base salary at his 2014 level for calendar year 2015, based upon current economic and operating conditions. The Special Subcommittee then considered the Short Term Incentive Plan and Long Term Incentive Plan compensation and award opportunities for Mr. Fischer and determined they were at appropriate levels. For fiscal year 2015, Mr. Fischer's target award potential under the Short Term Incentive Plan is 110% of his base salary and his target award potential under the Long Term Incentive Plan for the performance periods ending in fiscal years 2015, 2016 and 2017 is 330%, 360% and 360% of his base salary, respectively.

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In its December 2014 meetings, the Special Subcommittee certified the extent to which the performance goals under the Short Term Incentive Plan had been achieved for the 2014 fiscal year. The Special Subcommittee certified a Corporate RONA calculation for fiscal year 2014 of 11.8%, which resulted in an 81.8% target payout with respect to Corporate RONA to Mr. Fischer, the other eligible Named Executive Officers, and all other participants in the Short Term Incentive Plan. Accordingly, Mr. Fischer was awarded a cash payment of \$908,798 under the Short Term Incentive Plan for fiscal year 2014. The EMEA/APAC RONA calculation for fiscal year 2014 was 24.0%, which resulted in a 145% target payout with respect to EMEA/APAC RONA to Mr. Signorelli. See Summary Compensation Table for the amount of the award to the other Named Executive Officers under the Short Term Incentive Plan for fiscal year 2014.

In January 2015, the Special Subcommittee certified the extent to which the performance goals under the Long Term Incentive Plan had been achieved for the three-year performance period ended in fiscal year 2014. The Special Committee certified that compensable three-year cumulative EBITDA of \$1,400 million had been achieved under the Long Term Incentive Plan which resulted in a 42% payout to Mr. Fischer, the other Named Executive Officers and the other participants in the Long Term Incentive Plan. Accordingly, Mr. Fischer was awarded a cash payment of \$590,100 and 12,910 restricted shares of the Company's Class A stock under the Long Term Incentive Plan for fiscal year 2014. See Summary Compensation Table for the amount of the award to the other Named Executive Officers under the Long Term Incentive Plan for fiscal year 2014.

Executive Compensation Advisory Votes

At the 2011 annual meeting of the stockholders of the Company, the holders of Class B Common Stock approved an advisory vote on the Company's executive compensation to its named executive officers every three years until the next required vote on frequency of stockholder votes on executive compensation. At 2014 annual meeting of the stockholders of the Company, the holders of Class B Common Stock approved the compensation, as disclosed in the Compensation Discussion and Analysis section and compensation tables, as well as the other narrative executive compensation disclosures, contained in the Company's definitive Proxy Statement for its 2014 annual meeting of stockholders, of the Company's named executive officers identified therein. The Board of Directors will hold the next advisory vote on executive compensation in 2017, at which time it will also hold the next required vote on frequency of stockholder votes on executive compensation.

Table of Contents**Summary Compensation Table**

The following table sets forth the compensation for the fiscal years ended October 31, 2014, 2013 and 2012 for the Company's principal executive officer, principal financial officer (and those individuals acting in a similar capacity) and three other most highly compensated executive officers (the Named Executive Officers).

SUMMARY COMPENSATION TABLE

Name and principal position ⁽¹⁾	Year	Salary (\$) ⁽²⁾	Bonus (\$)	Stock Awards (\$) ⁽⁴⁾	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$) ⁽⁵⁾	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$) ⁽⁶⁾	All Other Compensation (\$) ⁽⁷⁾	Total (\$)
David B. Fischer, President and Chief Executive Officer	2014	1,000,769		565,830		1,498,898	1,407,793	14,452	4,487,742
	2013	934,616		556,964		1,816,850	388,339	9,512	3,706,281
	2012	850,000		202,185		781,424	496,634	4,705	2,334,948
Lawrence A. Hilsheimer, Executive Vice President and Chief Financial Officer	2014	300,000		829,650		199,388		8,535	1,337,573
	2013								
	2012								
Peter G. Watson, Chief Operating Officer	2014	506,346		86,083		393,253	90,279	10,005	1,085,966
	2013								
	2012								
Gary R. Martz, Executive Vice President, General Counsel and Secretary ⁽³⁾	2014	526,154	50,000	163,695		452,517	470,875	10,005	1,673,246
	2013	502,577		219,594		593,142	46,008	9,512	1,370,833
	2012	479,933		94,193		302,605	343,048	8,830	1,228,609
Ivan Signorelli, Senior Vice President and Group President ⁽⁸⁾	2014	512,873		161,091		509,156	526,666	139,068	1,848,854
	2013	536,204		171,711		547,143	353,886	137,573	1,746,517
	2012	479,994		97,674		302,880	611,008	121,541	1,613,097
Kenneth B. Andre, III, Former Vice President and Corporate Controller	2014	106,258	250,000			108,385		5,990	470,633
	2013	282,343	250,000	58,002		194,367		9,273	793,985
	2012								

(1) Mr. Hilsheimer was named Executive Vice President and Chief Financial Officer on May 12, 2014.

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Mr. Andre, as Vice President and Corporate Controller, was the principal accounting officer of the Company at the time of his death on March 1, 2014. He is included in the Summary Compensation Table and the other compensation tables included in this Proxy Statement because, prior to the appointment of Mr. Hilsheimer and in the absence of a principal financial officer, he performed certain activities that had been previously performed by the principal financial officer.

- (2) The amounts of base salary for fiscal years 2012, 2013 and 2014 reflect actual amounts paid to the respective Named Executive Officer for each fiscal year ended October 31. As discussed in Elements of Compensation Base Salary above, the Company implements increases on a calendar year rather than a fiscal year basis.
- (3) Mr. Martz's discretionary cash bonus amount was related to work performed during his temporary role as Chief Administrative Officer during the fiscal year ended October 31, 2014.
- (4) Amounts represent the restricted share portion of Long Term Incentive Plan awards, as described below (see Incentive Compensation Plans) and as discussed in the Compensation Discussion and Analysis Long Term Incentive Plan above, based upon the dollar amount recognized for financial statement reporting purposes during fiscal years 2014, 2013, and 2012, respectively, computed in accordance with Accounting Standards Certification (ASC) 718. For a discussion of the relevant ASC 718 valuation assumptions, see Note 1 in the Consolidated Financial Statements included in Item 8 of the 2014 Form 10-K. Mr. Hilsheimer's amount for fiscal year 2014 also includes the aggregate grant date fair value, computed in accordance with ASC 718, of 15,000 restricted

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shares of the Company's Class A Common Stock awarded to him under the Company's 2001 Management Equity Incentive and Compensation Plan as a component of his hiring compensation package. This amount was determined by multiplying the closing price of the Company's Class A Common Shares on the grant date (\$55.31) by the number of restricted shares granted.

- (5) Amounts represent the cash awards earned under the Company's Short Term Incentive Plan and Long Term Incentive Plan. See Elements of Compensation Short Term Incentive Plan and Long Term Incentive Plan. The cash awards earned under the Short Term Incentive Plan and the Long Term Incentive Plan for fiscal years 2014, 2013 and 2012 are as follows:

	Short Term Incentive Plan Awards (\$)	Long Term Incentive Plan Awards (\$)	Total Non-Equity Incentive Plan Compensation Awards (\$)
David B. Fischer			
2014	908,798	590,100	1,498,898
2013	1,180,850	636,000	1,816,850
2012	509,999	271,425	781,424
Lawrence A. Hilsheimer			
2014	199,388		199,388
2013			
2012			
Peter G. Watson			
2014	303,478	89,775	393,253
2013			
2012			
Gary R. Martz			
2014	281,801	170,716	452,517
2013	342,390	250,752	593,142
2012	176,130	126,475	302,605
Ivan Signorelli			
2014	323,538	185,618	509,156
2013	347,092	200,051	547,143
2012	171,741	131,139	302,880
Kenneth B. Andre, III			
	39,797	68,588	108,385

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2014	128,100	66,267	194,367
2013			
2012			

- (6) Amounts represent the change in the pension value for each Named Executive Officer, including amounts accruing under the Pension Plan, other company pension plans, the SERP and the DC SERP. None of the Named Executive Officers who participate in the nonqualified deferred compensation plan receive preferential or above market earnings.
- (7) For Named Executive Officers based in the United States, amounts represent the Company's match of employee contributions to the 401(k) plan, premiums paid for life insurance and the value of the annual wellness physical and any other perquisites paid by the Company to or on behalf of such Named Executive Officers during the fiscal years 2014, 2013 and 2012.

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	Company Match for 401(k) Plan (\$)	Company paid Life Insurance Premiums (\$)	Value of Wellness Physical Exams (\$)	Perquisites and Other Personal Benefits	Total All Other Compensation
David B. Fischer					
2014	7,800	2,205	2,500	1,947	14,452
2013	7,650	1,862			9,512
2012		2,205	2,500		4,705
Lawrence A. Hilsheimer					
2014	7,800	735			8,535
2013					
2012					
Peter G. Watson					
2014	7,800	2,205			10,005
2013					
2012					
Gary R. Martz					
2014	7,800	2,205			10,005
2013	7,650	1,862			9,512
2012	4,125	2,205	2,500		8,830
Ivan Signorelli					
2014		3,173		135,895	139,068
2013		3,404		134,169	137,573
2012		3,242		118,299	121,541
Kenneth B. Andre, III					
2014	5,096	894			5,990
2013	7,411	1,862			9,273
2012					

This column typically includes benefits related to expatriate assignments, pay credits and non-above market interest credits accrued with respect to the DC SERP and other miscellaneous benefits. For 2014, the amounts stated represent the incremental value for the personal use of the corporate aircraft by Mr. Fischer and expatriate plan benefits related to Mr. Signorelli's assignment in The

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Netherlands. The incremental cost to the Company of personal use of the Company aircraft is calculated on average hourly cost in fiscal year 2014 and is calculated by adding variable operating costs for fuel, maintenance, engine reserves, weather monitoring, crew expenses, and landing/ramp fees. The methodology excludes fixed costs that do not change based on usage, such as pilots' and other employees' salaries, purchase costs of the aircraft and non-trip related hangar and insurance expenses. The amount for Mr. Signorelli represents expatriate plan benefits related to his assignment in Europe, such as the provision of a car, a foreign service allowance and a housing allowance paid by the Company to or on behalf of Mr. Signorelli during the fiscal years 2014, 2013 and 2012 as set forth below.

	Company Car (\$)	Foreign Service Allowance (\$)	Housing Allowance (\$)
2014	21,779	51,334	62,782
2013	15,236	53,635	65,296
2012	16,790	48,623	52,886

- (8) Mr. Signorelli's compensation is paid in Euros and has been converted to U.S. Dollars using an exchange rate of 1.2692, 1.3616 and 1.2966 for 2014, 2013 and 2012, respectively.

Table of Contents**Grants of Plan-based Awards**

The following table summarizes grants of non-equity and stock-based compensation awards made during fiscal year 2014 to the Named Executive Officers.

GRANTS OF PLAN-BASED AWARDS

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards ⁽¹⁾⁽²⁾			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stocks ⁽³⁾	All Other Option Awards: Number of Underlying Options ⁽³⁾	Exercise or Base Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock and Option Awards (\$)
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)				
David B. Fischer:											
Long term	12/2/2013	1,026,259	3,109,876	6,219,753							
Short term	12/2/2013	555,500	1,111,000	1,666,500							
Lawrence A. Hilsheimer:											
Long term	5/12/2014										
Short term	5/12/2014	243,750	487,500	731,250							
2001 Plan	5/12/2014							15,000			829,650
Peter G. Watson:											
Long term	12/2/2013	179,511	543,972	1,087,944							
Short term	12/2/2013	185,500	371,000	556,500							
Gary R. Martz:											
Long term	12/2/2013	287,217	870,355	1,740,710							
Short term	12/2/2013	172,250	344,500	516,750							
Ivan Signorelli:											
Long term	12/2/2013	225,823	684,311	1,368,623							
Short term	12/2/2013	166,684	333,367	500,051							
Kenneth B. Andre, III:											
Long term	12/2/2013	71,992	218,159	327,238							
Short term	12/2/2013	56,681	113,363	170,044							

(1) In the 2014 fiscal year, each Named Executive Officer was selected to participate in the Long Term Incentive Plan for the performance period beginning November 1, 2013 and ending October 31, 2016. If the performance goals are achieved for that performance period, then awards will be made based on a percentage of such person's average base salary (exclusive of any bonus and other benefits) during the three-year performance period. However, if such person's average base salary during the three-year performance period exceeds by more than 130% the base salary of such person on the first day of the performance period, then such person's average base salary for purposes of calculating the final award will be capped at 130% of such person's base salary on the first day of the performance period. For the performance period, the threshold and maximum levels are 33% and 200% (except for Mr. Andre whose maximum level was 150%), respectively, of the target award. Estimated future payouts are based on the Named Executive Officer's salary as of January 1, 2014, and are to be paid 50% in cash and 50% in restricted shares of the Company's Class A and/or Class B Common Stock, as determined by the Special Subcommittee, with the number of restricted shares awarded being based on the average closing price of such restricted shares during the 90-day period preceding the day that the performance criteria for the performance period was established. See Elements of Compensation - Long Term Incentive Plan.

(2) In the 2014 fiscal year, each Named Executive Officer was selected to participate in the Short Term Incentive Plan. Under the Short Term Incentive Plan, threshold, target and maximum levels of each individual Named Executive Officer's award potential are established for each performance period, based on applicable RONA calculations. For Mr. Fischer the award potential was 110% of his base salary, for Mr. Hilsheimer the award potential was 75% of his base salary

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(although the award will be prorated by 50% based upon his hire date), for Mr. Martz the award potential was 65% of his base salary, for Mr. Signorelli the award potential was 60% of his base salary and for Mr. Andre the award potential was 40% of his base salary (to be prorated as of the date of his death). See Elements of Compensation Short Term Incentive Plan. The actual payments made to each Named Executive Officer under the Short Term Incentive Plan for 2014 fiscal year is shown in the Summary Compensation Table in the Non-Equity Incentive Plan Compensation column.

- (3) In fiscal year 2014, Mr. Hilsheimer was awarded 15,000 restricted shares of the Company's Class A common stock under the 2001 Plan as a component of his hiring compensation package with an aggregate fair value of \$829,650 based upon the closing price of the Company's Class A Common Stock on May 12, 2014 of \$55.31. The shares are subject to forfeiture in the event Mr. Hilsheimer ceases to be an active full-time employee of the Company, but the risk of forfeiture lapses on the restricted shares in equal tranches of 5,000 shares on each of the first, second and third anniversaries of the date of Mr. Hilsheimer's start date (May 12, 2014).

Stock-based Compensation

Since 2006, the Company has not issued stock options or made stock awards to its executive officers or employees, other than as a component of the Long Term Incentive Plan or in certain circumstances, as a component of compensation packages offered to attract new key employees. Although it is the Compensation Committee's current intention to use only the Long Term Incentive Plan for stock-based compensation to executive officers and other key employees, stock option and stock awards could be granted by the Company's Compensation Committee under the Company's 2001 Management Equity Incentive and Compensation Plan (the 2001 Plan). The 2001 Plan provides for the award of incentive and nonqualified stock options and restricted and performance shares of Class A Common Stock to key employees. The maximum number of shares that could be issued each year is determined by a formula that takes into consideration the total number of shares outstanding and is also subject to certain limits. In addition, the maximum number of shares that may be issued under the 2001 Plan during its term for incentive stock options is 5,000,000 shares. The shares of Class A Common Stock subject to the 2001 Plan have been registered under the Securities Act of 1933. No option may vest less than two years after the grant date and or be exercised greater than ten years after its grant date. In addition, no options granted under the 2001 Plan can be repriced by the Company or repurchased by the Company without stockholder approval. In general, options may not be transferred by the option holder, except that the Compensation Committee may, in its sole discretion, permit transfers by the option holder to his or her spouse, children, grandchildren and certain other relatives or a trust for the principal benefit of one or more such persons or to a partnership whose only partners are one or more such persons.

In fiscal year 2014, Mr. Hilsheimer was awarded 15,000 restricted shares of the Company's Class A common stock under the 2001 Plan as part of his compensation package. The shares are subject to forfeiture in the event Mr. Hilsheimer ceases to be an active full-time employee of the Company, but the risk of forfeiture lapses on the restricted shares in equal tranches of 5,000 shares on each of the first, second and third anniversaries of the date of Mr. Hilsheimer's start date (May 12, 2014).

Table of Contents**Equity Compensation Plan Information⁽¹⁾**

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options	Weighted-Average Exercise Price of Outstanding Options	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity Compensation Plans Approved by Security Holders ⁽²⁾	9,850	27.36	⁽³⁾
Equity Compensation Plans Not Approved by Security Holders			
Total	9,850		

(1) Information as of October 31, 2014.

(2) These plans include the 2001 Plan, under which shares of the Company's Class A Common Stock may be issued, and the Long Term Incentive Plan, under which restricted shares of the Company's Class A and Class B Common Stock may be issued, and the 2005 Outside Directors Equity Award Plan, under which shares of the Company's Class A Common Stock may be issued. See Elements of Compensation Long Term Incentive Plan, Stock-based Compensation, and Director Compensation Arrangements for a further description of these plans. Stock options are no longer issued under the incentive stock option plan.

(3) The number of shares of Class A Common Stock remaining available for future issuance under the 2005 Outside Directors Equity Award Plan was 102,047 shares. The Long Term Incentive Plan does not contain a limit on, or a formula for calculating, the number of shares available for future issuance under that Plan. The 2001 Plan contains a formula for calculating the number of shares available for future issuance under that Plan. This formula provides that the maximum number of shares which may be issued each calendar year under the 2001 Plan is equal to the sum of (a) 5.0% of the total outstanding shares as of the last day of the Company's immediately preceding fiscal year, plus (b) any shares related to awards under the 2001 Plan that, in whole or in part, expire or are unexercised, forfeited, or otherwise not issued to a participant or returned to the Company, plus (c) any unused portion of the shares available under (a), above, for the immediately preceding two fiscal years as a result of not being made subject to a grant or award in such preceding two fiscal years. The approximate number of shares that may be issued under the 2001 Plan in 2015 is 3,800,000 shares. The maximum number of shares that may be issued under the 2001 Plan with respect to incentive stock options is 5,000,000 shares (1,072,311 shares remain available for future issuance under this limitation).

Table of Contents**Outstanding Equity Awards at Fiscal Year-End**

The following table summarizes stock-based compensation awards outstanding as of the end of the 2014 fiscal year for the Named Executive Officers. As discussed in **Stock-based Compensation** above, since 2006, the Company has not issued stock options or made stock awards to its executive officers or employees, including the Named Executive Officers, other than as a component of the Long Term Incentive Plan or in certain circumstances, as a component of compensation packages offered to attract new key employees.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

Name	OPTION AWARDS					STOCK AWARDS			
	Number of Unexercised Options (#)	Number of Securities Underlying Unexercised Options (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested (\$)
David B. Fischer									
Lawrence A. Hilsheimer ⁽¹⁾					15,000	654,750			
Ivan Signorelli									
Gary R. Martz									
Ivan Signorelli									
Kenneth B. Andre, III									

- (1) In fiscal year 2014, Mr. Hilsheimer was awarded 15,000 restricted shares of the Company's Class A common stock under the 2001 Plan as a component of his hiring compensation package. The shares are subject to forfeiture in the event Mr. Hilsheimer ceases to be an active full-time employee of the Company, but the risk of forfeiture lapses on the restricted shares in equal tranches of 5,000 shares on each of the first, second and third anniversaries of the date of Mr. Hilsheimer's start date (May 12, 2014). The closing price of the Company's Class A Common Stock on October 31, 2014 was \$43.65.

Option Exercises and Stock Vested

The following table summarizes stock-based compensation awards exercised or vested during fiscal year 2014 by the Named Executive Officers.

OPTION EXERCISES AND STOCK VESTED

Name	OPTION AWARDS		STOCK AWARDS	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)
David B. Fischer				
Lawrence A. Hilsheimer ⁽¹⁾				

Peter G. Watson		
Gary R. Martz		
Ivan Signorelli	4,000	115,780
Kenneth B. Andre, III		

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- (1) In fiscal year 2014, Mr. Hilsheimer was awarded 15,000 restricted shares of the Company's Class A common stock under the 2001 Plan as a component of his hiring compensation package with an aggregate fair value of \$829,650 based upon the closing price of the Company's Class A Common Stock on May 12, 2014 of \$55.31. The shares are subject to forfeiture in the event Mr. Hilsheimer ceases to be an active full-time employee of the Company, but the risk of forfeiture lapses on the restricted shares in equal tranches of 5,000 shares on each of the first, second and third anniversaries of the date of Mr. Hilsheimer's start date (May 12, 2014). None of the shares vested in fiscal year 2014.

Pension Benefits

The table below sets forth the years of service and present value of the accumulated benefit for each of the eligible Named Executive Officers under the Pension Plan and other pension plans sponsored by subsidiaries of the Company, and the SERP as of October 31, 2014.

PENSION BENEFITS

Name	Plan Name	Number of Years Credited Service (#)	Present Value of Accumulated Benefit (\$)⁽¹⁾⁽²⁾⁽³⁾	Payments During Last Fiscal Year (\$)
David B. Fischer	Pension Plan	10	219,457	
	SERP	10	2,987,896	
Lawrence A. Hilsheimer	DC			
	SERP	0		
Peter G. Watson	Pension Plan	15	408,199	
	SERP	3		
Gary R. Martz	Pension Plan	13	333,762	
	SERP	13	1,530,456	
Ivan Signorelli	Brazil Pension	15	422,755	
	Netherlands Pension	9	1,934,379	
	SERP	23	1,645,814	
Kenneth B. Andre, III	Pension Plan	25		

- (1) Assumptions for calculations:

(A) Age 65 commencement;

(B) No decrements for death nor termination prior to age 65;

(C) RP-2000 Projected Mortality for the Pension Plan and the AP Prognosetafel 2012-2062 mortality table for the Netherlands Pension;

(D) Discount rates for the Pension Plan of 4.25% and 4.75% as of October 31, 2014 and October 31, 2013, respectively; and discount rates for the Netherlands Pension of 2.20% and 3.50% as of October 31, 2014 and October 31, 2013, respectively.

(E) Pension Plan benefits accrued to December 31, 2004 are payable as a lump sum and valued using a 0.25% lower discount rate and Revenue Ruling 2008-65 mortality.

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- (2) See Note 13 in the Notes to Consolidated Financial Statements included in Item 8 of the 2014 Form 10-K for a discussion of the valuation method and material assumptions applied in quantifying the present value of the accumulated benefit.

- (3) Mr. Signorelli's Netherlands Pension benefits were calculated in Euros and converted to U.S. Dollars using an exchange rate of 1.27345 and 1.3785 for 2014 and 2013, respectively. In addition, his Brazil Pension benefits were calculated in Brazilian Reals and converted to U.S. Dollars using an exchange rate of 0.4148 and 0.4565 for 2014 and 2013, respectively.

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Non-Qualified Deferred Compensation

No compensation was deferred during the 2014 fiscal year by the Named Executive Officers under the nonqualified deferred compensation plan described above.

Potential Payments Upon Termination or Change in Control

The Company has no plans, agreements, contracts or other arrangements providing any Named Executive Officer with severance or change-in-control benefits.

Employment and Noncompetition Agreements

The Company does not have an employment agreement with any Named Executive Officer.

All the Named Executive Officers, as well as other participants in the Long Term Incentive Plan, have agreed to certain post-employment covenants prohibiting them from becoming involved in any enterprise which competes with any business engaged in by the Company or its subsidiaries. The term of these agreements is tied to each applicable three-year performance period under the Long Term Incentive Plan.

Director Compensation Arrangements

During fiscal year 2014, outside directors of the Company received an annual retainer of \$65,000 (other than the Chairman who received an annual retainer of \$135,000), plus \$1,500 for each Board meeting, \$1,500 for each Audit Committee and Compensation Committee meeting and \$1,250 for all other committee meetings attended. The Audit Committee chairperson and the Compensation Committee chairperson received an additional retainer of \$14,000 per year and all other committee chairpersons received an additional retainer of \$7,000 per year. Outside directors may defer all or a portion of their fees pursuant to the Company's Directors Deferred Compensation Plan. No director fees are paid to directors who are employees of the Company or any of its subsidiaries.

Under the terms of the 2005 Outside Directors Equity Award Plan, outside directors of the Company may receive options to purchase shares of the Company's Class A Common Stock, restricted shares of the Company's Class A Common Stock and/or stock appreciation rights. The Compensation Committee is responsible for administering the 2005 Outside Directors Equity Award Plan. For fiscal year 2014, the Compensation Committee awarded each of the outside directors at the time of the 2014 annual meeting of stockholders (held on February 24, 2014) a number of restricted shares of Class A Common Stock under this Plan in an amount equal to \$125,000 divided by the last reported sale price of a share of Class A Common Stock on the NYSE on February 21, 2013 (the last trading day immediately preceding the date of the 2014 annual meeting of stockholders). All of these shares of Class A Common Stock were fully vested on the award date, are not subject to any risk of forfeiture, are eligible to participate in the receipt of all dividends declared on the Company's shares of Class A Common Stock and are subject to restrictions on transfer for three years or the director's termination of Board membership. Outside directors may defer their receipt of all or a portion of these shares, generally until the termination of their Board membership, pursuant to the Directors Deferred Compensation Plan. If deferral is elected, the restricted shares are issued to the trustee of a rabbi trust established in connection with the Directors Deferred Compensation Plan.

Under the Company's stock ownership guidelines (see the Compensation Discussion and Analysis Stock Ownership Guidelines above for information on these guidelines generally), directors are required to own a minimum of five times the director's annual retainer in shares of Company common stock after five years of service as a director. Restricted shares of Class A Common Stock which have been awarded to a director under the Company's 2005 Outside Directors

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Equity Award Plan and the receipt of which has been deferred at the election of such director under the terms of the Directors Deferred Compensation Plan are counted as owned by the deferring director for purposes of these stock ownership guidelines. The Board of Directors evaluates whether exceptions should be made in the case of any director who, due to his or her unique financial circumstances, would incur a hardship by complying with these requirements.

The following table sets forth the compensation of the Company's directors for the 2014 fiscal year.

DIRECTOR COMPENSATION

Name	Fees Earned or Paid in Cash (\$)⁽¹⁾	Stock Awards (\$)⁽²⁾	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
David B. Fischer ⁽³⁾							
Michael J. Gasser	218,524	124,976					343,500
Vicki L. Avril ⁽⁴⁾	110,274	124,976					235,250
Bruce A. Edwards	82,274	124,976					207,250
Mark A. Emkes	77,524	124,976					202,500
John F. Finn ⁽⁵⁾	77,774	124,976					202,750
Daniel J. Gunsett	111,524	124,976					236,500
Judith Hook	89,524	124,976					214,500
John W. McNamara	82,274	124,976					207,250
Patrick J. Norton	92,024	124,976					217,000

(1) Amounts include fees earned but the receipt of which have been deferred under the Directors Deferred Compensation Plan.

(2) Amounts represent the dollar amount recognized for financial statement reporting purposes during fiscal year 2014 computed in accordance with ASC 718 and represents the cash value of the total number of restricted shares of Class A Common Stock awarded to such director during the 2014 fiscal year under the Company's 2005 Outside Directors Equity Award Plan. Included in this column are restricted shares of Class A Common Stock that have been deferred by such director under the Directors Deferred Compensation Plan. For a discussion of the relevant ASC 718 valuation assumptions, see Note 1 in the Consolidated Financial Statements included in Item 8 of the 2014 Form 10-K.

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The following table sets forth, as of October 31, 2014, the aggregate number of restricted shares of Class A Common Stock awarded to and held by each of the outside directors and the aggregate number of shares of Class A Common Stock subject to outstanding stock options awarded to each of the outside directors. (For the aggregate number of restricted and non-restricted shares of Class A and Class B stock beneficially owned by each of the outside directors, see Security Ownership of Certain Beneficial Owners and Management.) No stock options have been awarded to any outside directors since 2005.

Name	Number of Shares of Class A Common Stock Subject to Outstanding Stock Options	Number of Restricted Shares of Class A Common Stock
Vicki L. Avril	4,000	5,979
Bruce A. Edwards		5,979
Mark A. Emkes		5,979
John F. Finn		5,979
Michael J. Gasser		4,210
Daniel J. Gunsett		5,979
Judith Hook		5,979
John W. McNamara		5,979
Patrick J. Norton		5,979

- (3) As an employee of the Company during the 2014 fiscal year, Mr. Fischer was not compensated for his services as a director. See Summary Compensation Table for information on Mr. Fischer's compensation as an executive officer.
- (4) Pursuant to the Directors Deferred Compensation Plan, Ms. Avril deferred receipt of \$55,125 of her fees for fiscal year 2014.
- (5) Pursuant to the Directors Deferred Compensation Plan, Mr. Finn deferred receipt of \$77,774 of his fees for fiscal year 2014.

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AUDIT COMMITTEE

During the 2014 fiscal year, the Audit Committee members were Vicki L. Avril chairperson, Bruce A. Edwards, John F. Finn and John W. McNamara.

The Audit Committee's primary responsibilities include the following:

overseeing the integrity of the financial statements of the Company;

overseeing the Company's compliance with legal and regulatory requirements;

overseeing the Company's independent auditors' qualifications and independence;

monitoring and evaluating the Company's independent auditors and internal audit function; and

reviewing management's performance related to the assessment and management of risk. (See Board's Role in Risk Management Oversight for the Audit Committee's role in risk management.)

The Board has adopted a written charter for the Audit Committee, a copy of which is posted on the Company's website at www.greif.com under Investor Center Corporate Governance. All of the members of the Audit Committee meet the categorical standards of independence adopted by the Board and are independent directors as defined in the NYSE listing standards and the applicable regulations of the Securities and Exchange Commission. See Corporate Governance-Director Independence.

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REPORT OF THE AUDIT COMMITTEE

The Audit Committee is responsible for monitoring and reviewing the Company's financial reporting process on behalf of the Board of Directors. Management has the primary responsibility for the financial statements and the reporting process, including the system of internal controls and preparation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States. In fulfilling its responsibilities, the Audit Committee reviewed the audited consolidated financial statements in the 2014 Form 10-K with management, including a discussion of the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments, and the clarity of disclosures in the consolidated financial statements. Throughout the year, the Audit Committee also monitored the results of the testing of internal control over financial reporting pursuant to §404 of the Sarbanes-Oxley Act of 2002, reviewed a report from management and internal audit regarding the design, operation and effectiveness of internal control over financial reporting, and reviewed a report from Deloitte & Touche LLP regarding the effectiveness of internal control over financial reporting. During 2014, Ernst & Young LLP resigned as the Company's independent auditors and the Audit Committee engaged Deloitte & Touche LLP as the Company's new independent registered public accounting firm. See "Independent Registered Public Accounting Firm" below.

The Audit Committee reviewed with the independent auditors, who are responsible for expressing an opinion on the conformity of those audited consolidated financial statements with accounting principles generally accepted in the United States, their judgments as to the quality, not just the acceptability, of the Company's accounting principles and such other matters as are required to be discussed with the Audit Committee in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"). In addition, the Audit Committee received written disclosures regarding the independent auditors' independence from management and the Company, and received a letter confirming that fact from the independent auditors, which included applicable requirements of the PCAOB regarding the independent accountant's communications with the Audit Committee concerning independence, and considered the compatibility of nonaudit services with the auditors' independence.

The Audit Committee discussed with the Company's internal and independent auditors the overall scope and plans for their respective audits. The Audit Committee meets separately with the internal and independent auditors, with and without management present, and separately with management, to discuss the results of their examinations, their evaluations of the Company's internal controls, and the overall quality of the Company's financial reporting.

As discussed above, the Audit Committee is responsible for monitoring and reviewing the Company's financial reporting process. It is not the duty or responsibility of the Audit Committee to conduct auditing or accounting reviews or procedures. Members of the Audit Committee are not employees of the Company. Therefore, the Audit Committee has relied, without independent verification, on management's representation that the consolidated financial statements have been prepared with integrity and objectivity and in conformity with accounting principles generally accepted in the United States and on the representations of the independent auditors included in their report on the Company's consolidated financial statements. The Audit Committee's review does not provide its members with an independent basis to determine that management has maintained appropriate accounting and financial reporting principles or policies, or appropriate internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. Furthermore, the Audit Committee's considerations and discussions with management and the independent auditors do not assure that the Company's consolidated financial statements are presented in accordance with accounting principles generally accepted in the United States, that the audit of the Company's consolidated financial statements has been carried out in accordance with the standards of the PCAOB, or that the Company's independent auditors are in fact independent.

The Audit Committee receives regular reports from the Company's General Counsel with respect to matters coming within the scope of the Company's Code of Business Conduct and Ethics. The Chief

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Executive Officer and the principal financial officers have each agreed to be bound by the Code of Business Conduct and Ethics and the Sarbanes-Oxley Act mandated Code of Ethics for Senior Financial Officers. The Company has also implemented and applied the Code of Business Conduct and Ethics throughout the Company. It also has in place procedures for the receipt of complaints concerning the Company's accounting, internal accounting controls, or auditing practices, including the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing practices.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board (and the Board has approved) that the audited consolidated financial statements be included in the 2014 Form 10-K for filing with the Securities and Exchange Commission. The Audit Committee has selected Deloitte & Touche LLP as the Company's independent auditors for the 2015 fiscal year.

Submitted by the Audit Committee of the Board of Directors.

Vicki L. Avril, Committee Chairperson

Bruce A. Edwards

John F. Finn

John W. McNamara

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AUDIT COMMITTEE PRE-APPROVAL POLICY

The Audit Committee is responsible for the appointment, compensation and oversight of the work of the independent auditors. As part of this responsibility, the Audit Committee is required to pre-approve the audit and permissible non-audit services performed by the independent auditors in order to assure that such services do not impair the auditors' independence from the Company. The Securities and Exchange Commission has issued rules specifying the types of services that independent auditors may not provide to their audit client, as well as the audit committee's administration of the engagement of the independent auditors. Accordingly, the Audit Committee has adopted a Pre-Approval Policy (the Policy), which sets forth the procedures and the conditions under which services proposed to be performed by the independent auditors must be pre-approved.

Pursuant to the Policy, certain proposed services may be pre-approved on a periodic basis so long as the services do not exceed certain pre-determined cost levels. If not pre-approved on a periodic basis, proposed services must otherwise be separately pre-approved prior to being performed by the independent auditors. In addition, any proposed services that were pre-approved on a periodic basis but later exceed the pre-determined cost level would require separate pre-approval of the incremental amounts by the Audit Committee.

The Audit Committee has delegated pre-approval authority to the Chairperson of the Audit Committee for proposed services to be performed by the independent auditors for up to \$100,000. Pursuant to such Policy, in the event the Chairperson pre-approves services, the Chairperson is required to report decisions to the full Audit Committee at its next regularly-scheduled meeting.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

General

Deloitte & Touche LLP served as the Company's independent registered public accounting firm for the fiscal year ended October 31, 2014. It is currently expected that a representative of Deloitte & Touche LLP will be present at the Annual Meeting, will have an opportunity to make a statement if such representative so desires and will be available to respond to appropriate questions from stockholders. The Company's Audit Committee has selected Deloitte & Touche LLP as the Company's independent registered public accounting firm for the 2015 fiscal year.

Change of Independent Registered Public Accounting Firm

On July 3, 2014, Ernst & Young LLP, at that time the Company's independent registered public accounting firm, informed the Company that it was resigning as the Company's independent registered public accounting firm effective after the Company filed its Form 10-Q for the fiscal quarter ending July 31, 2014 (the 2014 Third Quarter Form 10-Q), which event occurred on August 29, 2014. For the fiscal years ended October 31, 2013 and 2012, the reports of Ernst & Young LLP on the Company's consolidated financial statements did not contain an adverse opinion, or a disclaimer of opinion, nor were any such reports qualified or modified as to uncertainty, audit scope, or accounting principles. In connection with the audits of consolidated financial statements for each of the Company's fiscal years ended October 31, 2013 and 2012 and the subsequent period through August 29, 2014, there were no disagreements between Ernst & Young LLP and the Company regarding any matters of accounting principles or practices, financial statement disclosure or auditing scope which, if not resolved to the satisfaction of Ernst & Young LLP, would have caused it to make reference thereto in its reports on the financial statements for such years. As disclosed in the Company's Form 10-Ks for the fiscal years ended October 31, 2013 and 2012 (the 2013 and 2012 Form 10-Ks) and in the 2014 Third Quarter Form 10-Q, management had concluded, as of the applicable dates, that the Company had not

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maintained effective internal control over financial reporting as of October 31, 2013 and 2012 and as of July 31, 2014 as a result of material weaknesses described in Item 9A of the 2013 and 2012 Form 10-Ks and in Item 4 of the 2014 Third Quarter Form 10-Q, which disclosures are incorporated herein by reference. Ernst & Young LLP issued an adverse opinion on the effectiveness of internal controls over financial reporting as of October 31, 2013 and 2012 as a result of these material weaknesses. The Company's Audit Committee discussed the material weaknesses in the Company's internal control over financial reporting with Ernst & Young LLP and authorized Ernst & Young LLP to respond fully to the inquiries from the Company's new independent public accounting firm concerning such material weaknesses.

The Company provided Ernst & Young with copies of the Company's Form 8-K filed on July 8, 2014 (the Initial Form 8-K) and Form 8-K/A filed on September 3, 2014 (the Amended Form 8-K) reporting the change in the Company's independent registered public accounting firm for the fiscal year ended October 31, 2014 containing substantially the same disclosures as above and requested that Ernst & Young LLP provide the Company with letters addressed to the Securities and Exchange Commission stating whether or not Ernst & Young LLP agreed with the disclosures contained in the Initial Form 8-K and the Amended Form 8-K. The Ernst & Young LLP letters dated July 8, 2014 and September 3, 2014, respectively, are filed as Exhibits 16(a) and 16(b) to the Amended Form 8-K.

The Audit Committee considered engagement proposals from multiple audit firms and conducted an assessment of those firms technical skills, global capabilities, staffing requirements and other factors. On August 26, 2014, the Audit Committee engaged Deloitte & Touche LLP as the Company's new independent registered public accounting firm to audit the Company's financial statements for the fiscal year ending October 31, 2014, and the effectiveness of the Company's internal control over financial reporting as of October 31, 2014. Deloitte & Touche LLP's engagement to serve as the Company's new independent registered public accounting firm was effective upon Ernst & Young LLP's resignation on August 29, 2014. As part of the engagement process, the Company and Deloitte & Touche LLP identified certain non-audit services that Deloitte & Touche LLP (or another firm in its global network of firms) performed for the Company during the 2014 fiscal year that were not permitted under the SEC's auditor independence rules. The Audit Committee and Deloitte & Touche LLP discussed these non-audit services and concluded that the provision of these non-audit services would not affect Deloitte & Touche LLP's objectivity or its impartiality and would not impair its ability to serve as the Company's independent registered public accounting firm. The services that Deloitte & Touche LLP or another firm in Deloitte & Touche LLP's global network of firms performed for the Company during fiscal year 2014 were as follows:

The Company had engaged Deloitte & Touche LLP Corporate Finance LLC (Deloitte & Touche LLP Corporate Finance) during fiscal year 2014 to assist in the divestiture of a certain non-material business under a contingent fee arrangement. The services included assisting the Company in identifying potential acquirers, coordinating aspects of the sale process, and advising on aspects of the transaction agreements. In connection with this engagement, Deloitte & Touche LLP did not provide any advice regarding the application of accounting principles to the transaction. In addressing this matter, the non-audit services were terminated upon the signing of the sale agreement for the divestiture, which occurred on August 7, 2014. Prior to that date, this engagement was converted to a fixed fee arrangement, with total fees of approximately \$1.3 million. The Audit Committee also observed that Deloitte & Touche LLP had no contingent liability related to this matter, and that there would be no adjustment to the fixed fee if the transaction did not close.

Deloitte & Touche LLP provided loaned staff resources to the Company in two instances. Deloitte & Touche LLP provided a loaned staff resource to the Company's subsidiary in Belgium to assist with review of account reconciliations related to an intercompany loan portfolio and capital expenditures related to the implementation of the Company's enterprise

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resource system in Europe. These services terminated in May 2014. Deloitte & Touche LLP Tax in the United States also provided loaned staff services to the Company to assist in the preparation of certain informational tax returns. These services terminated in April 2014. Deloitte & Touche LLP Tax in the United States also performed services under a contingent fee arrangement related to review of certain of the Company's state and local income tax returns from prior years. The fees for the services described above were approximately \$300,000 in the aggregate during fiscal year 2014. In addressing these loaned staff and tax review matters, the Company has taken several steps, including (i) converting the fee arrangements for the state and local tax return review from contingent fee arrangements to fixed fee arrangements, and (ii) engaging other accounting and auditing firms to review the work performed by the loaned staff personnel assigned to the Company's subsidiary in Belgium as well as the loaned staff that prepared certain informational tax returns. Also, none of the Deloitte & Touche LLP professionals who performed any of the loaned staff services were to participate on Deloitte & Touche LLP's engagement team for the Company's fiscal year 2014 audit.

During the Company's fiscal years ended October 31, 2013 and 2012 and prior to engaging Deloitte & Touche LLP on August 26, 2014, neither the Company nor anyone on its behalf consulted Deloitte & Touche LLP regarding either: (i) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on the Company's financial statements, in connection with which either a written report or oral advice was provided to the Company that Deloitte & Touche LLP concluded was an important factor considered by the Company in reaching a decision as to the accounting, auditing or financial reporting issue; or (ii) any matter that was the subject of a disagreement or reportable event as defined in Regulation S-K, Item 304(a)(1)(iv) and Item 304(a)(1)(v), respectively.

Audit and other Services Fees

All services to be provided by the Company's independent auditors are pre-approved by the Audit Committee, including audit services, audit-related services, tax services and certain other services. See Audit Committee Pre-Approval Policy. Aggregate fees billed to the Company for each of the fiscal years ended October 31, 2013 and October 31, 2014 by Ernst & Young LLP and Deloitte & Touche LLP were as follows:

Audit Fees

Ernst & Young LLP's fees for audit services for the 2014 and 2013 fiscal years were \$4,100,000 and \$4,900,000, respectively. These amounts include fees for professional services rendered by Ernst & Young LLP associated with the annual audit for fiscal year 2013, the reviews of the Company's quarterly reports on Form 10-Q and the audit effectiveness of the Company's internal control over financial reporting, Securities and Exchange Commission registration statements and filings, and certain statutory audits required internationally.

Deloitte & Touche LLP's fees for audit services for the 2014 and 2013 fiscal years were \$6,200,000 and \$0, respectively. These amounts include fees for professional services rendered by Deloitte & Touche LLP associated with the annual audit for fiscal year 2014 and the audit effectiveness of the Company's internal control over financial reporting, Securities and Exchange Commission registration statements and filings, and certain statutory audits required internationally.

Audit-Related Fees

Fees for audit-related services rendered by Ernst & Young LLP for the 2014 and 2013 fiscal years were \$183,000 and \$80,000, respectively. Audit-related services principally relate to accounting consultations and audits of employee benefit plans in fiscal years 2014 and 2013.

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Tax Fees

Fees for tax services, including tax compliance, tax advice and tax planning, rendered by Ernst & Young LLP for the 2014 and 2013 fiscal years were \$30,000 and \$163,000, respectively. Fees for tax services for the 2014 fiscal year included fees for services in connection with tax planning for certain U.S. and non-U.S. legal entities and tax compliance for certain non-U.S. legal entities.

Fees for tax services, including tax compliance, tax advice and tax planning, rendered by Deloitte & Touche LLP for the 2014 and 2013 fiscal years were \$722,000 and \$713,000, respectively. Fees for tax services for the 2014 fiscal year included fees for services in connection with tax planning for certain U.S. and non-U.S. legal entities and tax compliance for certain non-U.S. legal entities.

All Other Fees

The Company incurred no additional fees from Ernst & Young LLP for other products and services in the 2014 and 2013 fiscal years. The Company incurred additional fees in the amount of \$1,625,622 from Deloitte Corporate Finance LLC in the 2014 fiscal year related to investment advisory services in connection with the divestiture of a business and with various loan staffing services.

None of the services described under the headings **Audit-Related Fees**, **Tax Fees**, or **All Other Fees** above were approved by the Audit Committee pursuant to the waiver procedure set forth in 17 CFR 210.2-01 (c)(7)(i)(C).

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CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

During fiscal year 2014, the Company retained the law firm of Baker & Hostetler LLP to perform certain legal services on its behalf. Daniel J. Gunsett, a partner in that firm, is a director of the Company and a member of the Compensation, Executive, Nominating and Corporate Governance and Stock Repurchase Committees. The Company anticipates retaining Baker & Hostetler LLP in the 2015 fiscal year. The Board has affirmatively determined that Mr. Gunsett meets the categorical standards of independence adopted by the Board and is an independent director as defined in the NYSE listing standards. See Corporate Governance-Director Independence.

The Company has a written policy for the approval of a transaction between the Company and one of its directors, executive officers, greater than 5% Class B stockholders, an entity owned or controlled by such persons, or an immediate family member of such persons, which is generally referred to as a related party transaction. This policy provides that the Audit Committee must review, evaluate and approve or disapprove all related party transactions involving an amount equal to or greater than \$5,000. This policy also requires that all related party transactions be disclosed in the Company's applicable filings as required by the Securities Act of 1933 and the Securities Exchange Act of 1934 and related rules. In addition, the Nominating Committee, which advises the Board of Directors on corporate governance matters, independently reviews and assesses corporate governance issues related to contemplated related party transactions.

STOCKHOLDER PROPOSALS

Proposals of stockholders intended to be presented at the 2016 annual meeting of stockholders (scheduled for March 1, 2016) must be received by the Company for inclusion in the Proxy Statement and form of proxy on or prior to 120 days in advance of the first anniversary of the date of this Proxy Statement. If a stockholder intends to present a proposal at the 2016 annual meeting of stockholders, but does not seek to include such proposal in the Company's Proxy Statement and form of proxy, such proposal must be received by the Company on or prior to 45 days in advance of the first anniversary of the date of this Proxy Statement or the persons named in the form of proxy for the 2016 annual meeting of stockholders will be entitled to use their discretionary voting authority should such proposal then be raised at such meeting, without any discussion of the matter in the Company's Proxy Statement or form of proxy. Furthermore, stockholders must follow the procedures set forth in Article I, Section 8, of the Company's Second Amended and Restated By-Laws in order to present proposals at the 2016 annual meeting of stockholders.

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OTHER MATTERS

The proxy card enclosed with this Proxy Statement is solicited from Class B stockholders by and on behalf of the Board of Directors of the Company. A person giving the proxy has the power to revoke it.

The expense for soliciting proxies for this Annual Meeting of Stockholders is to be paid by the Company. Solicitations of proxies also may be made by personal calls upon or telephone or telegraphic communications with stockholders, or their representatives, by not more than five officers or regular employees of the Company who will receive no compensation for doing so other than their regular salaries.

Management knows of no matters to be presented at the Annual Meeting of Stockholders other than the above proposals. However, if any other matters properly come before the Annual Meeting of Stockholders, it is the intention of the persons named in the accompanying form of proxy to vote the proxy in accordance with their judgment on such matters.

Gary R. Martz

Secretary

January 26, 2015

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EXHIBIT A

2001 MANAGEMENT EQUITY INCENTIVE

AND COMPENSATION PLAN

(as amended)

[Proposed changes are underlined/bolded for reference purposes.]

Section 1. Purposes of Plan.

The purpose of this 2001 Management Equity Incentive and Compensation Plan (the Plan) of Greif, Inc., a Delaware corporation (the Company), is to advance the interests of the Company and its stockholders by providing a means of attracting and retaining key employees for the Company and its subsidiary corporations. In order to serve this purpose, the Plan encourages and enables key employees to participate in the Company's future prosperity and growth by providing them with incentives and compensation based on the Company's performance, development, and financial success. These objectives will be promoted by granting to key employees equity-based awards in the form of: (a) Incentive Stock Options (ISOs), which are intended to qualify under Section 422 of the Internal Revenue Code of 1986, as amended (the Code); (b) stock options which are not intended to qualify as ISOs (NQSOs) (ISOs and NQSOs are referred to together hereinafter generally as Stock Options); (c) shares of Class A Common Stock, without par value, of the Company (Shares), which will be subject to a vesting schedule based on the recipient's continued employment (Restricted Shares); and (d) Shares, which will be subject to a vesting schedule based on certain performance objectives (Performance Shares). (The Performance Shares, Stock Options and Restricted Shares are referred to generally hereafter as the Awards). For purposes of this Plan, subsidiary shall mean a subsidiary corporation as defined in Section 424(f) of the Code.

Section 2. Administration of Plan.

The Plan shall be administered by the Stock Option Plan Committee of the Company's Board of Directors (the Board), or such other committee as the Board may designate (the Committee); provided, however, that members of the Committee shall be (i) Non-Employee Directors within the meaning of Rule 16b-3 of the Securities Exchange Act of 1934, as amended (the 1934 Act), and (ii) outside directors within the meaning of Section 162(m) of the Code. The members of the Committee shall serve at the pleasure of the Board, which may remove members from the Committee or appoint new members to the Committee from time to time, and members of the Committee may resign by written notice to the Chairman of the Board or the Secretary of the Company. The Committee shall have the power and authority to: (a) select Eligible Employees (as defined in Section 3, below) as recipients of Awards (such recipients, Participants); (b) grant Stock Options, Restricted Shares, or Performance Shares, or any combination thereof; (c) determine the number and type of Awards to be granted; (d) determine the terms and conditions, not inconsistent with the terms hereof, of any Award, including without limitation, time and performance restrictions; (e) adopt, alter, and repeal such administrative rules, guidelines, and practices governing the Plan as it shall, from time to time, deem advisable; (f) interpret the terms and provisions of the Plan and any Award granted hereunder and any agreements relating thereto; and (g) take any other actions the Committee considers appropriate in connection with, and otherwise supervise the administration of, the Plan. All decisions made by the Committee pursuant to the provisions hereof, including without limitation, decisions with respect to employees to be granted Awards and the number and type of Awards, shall be made in the Committee's sole discretion and shall be final and binding on all persons. The Committee may designate persons other than its members to carry out its responsibilities under such conditions and limitations as it may set, except to the extent that such delegation is prohibited by law or would cause an Award intended to be exempt from the limitation on deductibility under Section 162(m) of the Code, or from the shortswing profit recovery rules of Section 16(b) of the 1934 Act, to fail to be so exempt.

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Section 3. Participants in Plan.

The persons eligible to receive Awards under the Plan (Eligible Employees) shall include officers and other key employees of the Company or one or more of its subsidiaries who, in the opinion of the Committee, have responsibilities affecting the management, development, or financial success of the Company or such subsidiaries.

Section 4. Shares Subject to Plan.

The maximum aggregate number of Shares which may be issued each calendar year under the Plan (Available Shares) shall be an amount equal to the sum of (a) 5.0% of the total outstanding Shares as of the last day of the Company's immediately preceding fiscal year, plus (b) any Shares related to Awards that, in whole or in part, expire or are unexercised, forfeited, terminated, surrendered, canceled, settled in such a manner that all or some of the Shares covered by an Award are not issued to a Participant, or returned to the Company in payment of the exercise price or tax withholding obligations in connection with outstanding Awards, plus (c) in calendar year 2001, the number of Shares available for grant under the Plan as of June 1, 2001, and in all subsequent years of the Plan, any unused portion of the Shares available under Section (a) above for the immediately preceding two fiscal years (but not prior to the Company's fiscal year ending October 31, 2001) as a result of not being made subject to a grant or award in such preceding two fiscal years. Notwithstanding the foregoing, for the Company's fiscal year ending October 31, 2001, the number of total outstanding Shares in Section (a) above, shall be calculated as of January 1, 2001, rather than as of October 31, 2000 (the last day of the immediately preceding fiscal year). In no event shall more than 20% of the Available Shares be granted in the form of Awards other than Stock Options, and, of the Available Shares, the maximum number of ISOs that will be issued under the Plan during its term is 2,500,000 Shares. The Available Shares may be authorized but unissued Shares or issued Shares reacquired by the Company, including Shares purchased on the open market, and held as treasury Shares. The maximum number of Shares with respect to which Stock Options, Restricted Shares, and Performance Shares may be granted to any single Participant under the Plan during any single fiscal year of the Company shall be 100,000. Any of the Shares delivered upon the assumption of or in substitution for outstanding grants made by a company or division acquired by the Company shall not decrease the number of Available Shares, except to the extent otherwise provided by applicable law or regulation.

Section 5. Grant of Awards.

ISOs, NQSOs, Restricted Shares, and Performance Shares may be granted alone or in addition to other Awards granted under the Plan. Any Awards granted under the Plan shall be in such form as the Committee may from time to time approve, consistent with the Plan, and the provisions of Awards need not be the same with respect to each Participant.

Each Award granted under the Plan shall be authorized by the Committee and shall be evidenced by a written Stock Option Agreement, Restricted Share Agreement, or Performance Share Agreement, as the case may be (collectively, Award Agreements), in the form approved by the Committee from time to time, which shall be dated as of the date approved by the Committee in connection with the grant, signed by an officer of the Company authorized by the Committee, and signed by the Participant, and which shall describe the Award and state that the Award is subject to all the terms and provisions of the Plan and such other terms and provisions, not inconsistent with the Plan, as the Committee may approve. The date on which the Committee approves the granting of an Award shall be deemed to be the date on which the Award is granted for all purposes, unless the Committee otherwise specifies in its approval. The granting of an Award under the Plan, however, shall be effective only if and when a written Award Agreement is duly executed and delivered by or on behalf of the Company and the Participant.

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Section 6. Stock Options.

Stock Options granted under the Plan shall be subject to the following terms and conditions and shall contain such additional terms and conditions not inconsistent with the terms of the Plan as the Committee deems appropriate:

(a.) Exercise Price.

The exercise price per Share issuable upon exercise of a Stock Option shall be no less than the fair market value per Share on the date the Stock Option is granted; provided that, if the Participant at the time an ISO is granted owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or of any subsidiary, the exercise price per Share shall be at least 110% of the fair market value of the Shares subject to the ISO on the date of grant. For purposes of the Plan, the fair market value of the Shares shall mean, as of any given date, the (i) last reported sale price on the New York Stock Exchange on the most recent previous trading day, (ii) last reported sale price on the NASDAQ National Market System on the most recent previous trading day, (iii) mean between the high and low bid and ask prices, as reported by the National Association of Securities Dealers, Inc. on the most recent previous trading day, or (iv) last reported sale price on any other stock exchange on which the Shares are listed on the most recent previous trading day, whichever is applicable; provided that if none of the foregoing is applicable, then the fair market value of the Shares shall be the value determined in good faith by the Committee, in its sole discretion.

(b.) Vesting and Exercise of Options.

A Stock Option shall be exercisable only with respect to the Shares which have become vested pursuant to the terms of that Stock Option. Each Stock Option shall become vested with respect to Shares subject to that Stock Option on such date or dates and on the basis of such other criteria, including without limitation, the performance of the Company, as the Committee may determine, in its discretion, and as shall be specified in the applicable Stock Option Agreement. The Committee shall have the authority, in its discretion, to accelerate the time at which a Stock Option shall be exercisable whenever it may determine that such action is appropriate by reason of changes in applicable tax or other law or other changes in circumstances occurring after the grant of such Stock Option.

(c.) Term.

Each Stock Option Agreement shall set forth the period for which such Option shall be exercisable from the date on which that Stock Option is granted. In no event, however, shall a Stock Option be exercisable after the expiration of 10 years from the date on which that Stock Option is granted. In addition, with respect to ISOs, if the Participant at the time the ISO is granted owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any subsidiary, the ISO shall not be exercisable after the expiration of five years from the date on which the ISO is granted.

(d.) Method of Exercise.

A Stock Option may be exercised, in whole or in part, by giving written notice to the Company stating the number of Shares (which must be a whole number) to be purchased. Upon receipt of payment of the full purchase price for such Shares by certified or bank cashier's check or other form of payment acceptable to the Company, or, if approved by the Committee, by (i) delivery of unrestricted Shares having a fair market value on the date of such delivery equal to the total exercise price, (ii) surrender of Shares subject to the Stock Option which have a fair market value equal to the total exercise price at the time of exercise, or (iii) a combination of the preceding methods, and subject to compliance with all other terms and conditions of the Plan and the Stock

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Option Agreement relating to such Stock Option, the Company shall issue, as soon as reasonably practicable after receipt of such payment, such Shares to the person entitled to receive such Shares, or such person's designated representative. Such Shares may be issued in the form of a certificate, by book entry, or otherwise, in the Company's sole discretion.

(e.) Restrictions on Shares Subject to Stock Options.

Shares issued upon the exercise of any Stock Option may be made subject to such disposition, transferability or other restrictions or conditions as the Committee may determine, in its discretion, and as shall be set forth in the applicable Stock Option Agreement.

(f.) Transferability.

Except as provided in this paragraph, Stock Options shall not be transferable, and any attempted transfer (other than as provided in this paragraph) shall be null and void. Except for Stock Options transferred as provided in this paragraph, all Stock Options shall be exercisable during a Participant's lifetime only by the Participant or the Participant's legal representative. Without limiting the generality of the foregoing, (i) ISOs may be transferred only upon the Participant's death and only by will or the laws of descent and distribution and, in the case of such a transfer, shall be exercisable only by the transferee or such transferee's legal representative, (ii) NQSOs may be transferred by will or the laws of descent and distribution and, in the case of such a transfer, shall be exercisable only by the transferee or such transferee's legal representative, and (iii) the Committee may, in its sole discretion and in the manner established by the Committee, provide for the irrevocable transfer, without payment of consideration, of any NQSO by a Participant to such Participant's parent(s), spouse, domestic partner, children, grandchildren, nieces, nephews or to the trustee of a trust for the principal benefit of one or more such persons or to a partnership whose only partners are one or more such persons, and, in the case of such transfer, such NQSO shall be exercisable only by the transferee or such transferee's legal representative.

For purposes of this paragraph (f.), the term "domestic partner" of a Participant means an adult with whom the Participant has established a domestic partnership for purposes of sharing one another's lives in a single, intimate and committed relationship of mutual caring. A domestic partnership shall be considered to have been established when all of the following requirements are met: (i) the Participant and the domestic partner (A) have a common, permanent residence; (B) agree to be jointly responsible for each other's basic living expenses incurred during the domestic partnership; (C) are not related by blood in a way that would prevent them from being married to each other in their state of residence; (D) are each at least 18 years of age; and (E) are both capable of consenting to the domestic partnership; (ii) neither the Participant nor the domestic partner is married or a member of another domestic partnership; and (iii) the Participant has delivered to the Committee an acknowledgement signed by both the Participant and the domestic partner representing to the Committee that they meet the definition of a domestic partnership. Such acknowledgement shall be in a form specified from time to time by the Committee. Upon acceptance by the Committee, such domestic partnership shall be deemed to continue unless and until the Participant and the domestic partner execute and deliver to the Committee a further acknowledgement whereby they each agree that the domestic partnership established thereby has terminated.

(g.) Termination of Employment by Reason of Death or Disability.

If a Participant's employment with the Company terminates by reason of the Participant's death or disability (as defined in Section 22(e)(3) of the Code with respect to ISOs, and, with respect to NQSOs, as defined by the Committee in its sole discretion at the time of grant and set forth in the Stock Option Agreement), then (i) unless otherwise determined by the Committee within 60 days of such death or disability, to the extent a Stock Option held by such Participant is

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not vested as of the date of death or disability, such Stock Option shall automatically terminate on such date, and (ii) to the extent a Stock Option held by such Participant is vested (whether pursuant to its terms, a determination of the Committee under the preceding clause (i), or otherwise) as of the date of death or disability, such Stock Option may thereafter be exercised by the Participant, the legal representative of the Participant's estate, the legatee of the Participant under the will of the Participant, or the distributee of the Participant's estate, whichever is applicable, for a period of one year (or, with respect to NQSOs, such other period as the Committee may specify at or after grant or death or disability) from the date of death or disability or until the expiration of the stated term of such Stock Option, whichever period is shorter.

(h.) Termination of Employment by Reason of Retirement.

If a Participant's employment with the Company terminates by reason of the Participant's retirement, then (i) to the extent such Option is not vested it shall, unless otherwise provided in the Award Agreement, be forfeited, and (ii) each vested Option held by such Participant may thereafter be exercised by the Participant according to its terms, including, without limitation, for such period after such termination of employment as shall be set forth in the applicable Stock Option Agreement. Each ISO held by such Participant that is exercised by the Participant later than 90 days after the date of such termination of employment may not receive ISO tax treatment; in such event the Option shall be treated as an NQSO. For purposes of the Plan, retirement means a termination from employment from the Company and its subsidiaries that qualifies as either early or normal retirement under the Company's tax qualified pension plan, provided that the Participant is not thereafter employed by (whether as an employee, consultant, agent, officer, director or independent contractor) or engaged in (whether as a shareholder or other owner, partner, creditor, promoter or otherwise) any business which competes with the Company, as determined by the Committee in its sole discretion.

(i.) Other Termination of Employment.

If a Participant's employment with the Company and its subsidiaries terminates for any reason other than death, disability, or retirement, then (i) to the extent any Stock Option held by such Participant is not vested as of the date of such termination, such Stock Option shall automatically terminate on such date; and (ii) to the extent any Stock Option held by such Participant is vested as of the date of such termination, such Stock Option may thereafter be exercised for a period of 90 days (or, with respect to NQSOs, such other period as the Committee may specify at or after grant or termination of employment) from the date of such termination or until the expiration of the stated term of such Stock Option, whichever period is shorter; provided that, upon the termination of the Participant's employment by the Company or its subsidiaries for Cause (as defined in an applicable Stock Option Agreement), any and all unexercised Stock Options granted to such Participant shall immediately lapse and be of no further force or effect. For purposes of the Plan, whether termination of a Participant's employment by the Company and its subsidiaries is for Cause shall be determined by the Committee, in its sole discretion.

(j.) Effect of Termination of Participant's Employment on Transferee.

Except as otherwise permitted by the Committee in its sole discretion, no Stock Option held by a transferee of a Participant pursuant to Section 6(f)(iii), above, shall remain exercisable for any period of time longer than would otherwise be permitted under Sections 6(g), (h), and (i) without specification of other periods by the Committee as provided therein.

(k.) ISO Limitations and Savings Clause.

The aggregate fair market value (determined as of the time of grant) of the Shares with respect to which ISOs are exercisable for the first time by the Participant during any calendar year under the Plan and any other stock option plan of the Company and its affiliates shall not exceed

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\$100,000 unless otherwise permitted by Code Section 422 as an unused limit carryover to such year. Any Options which were intended to be ISOs that exceed this limitation shall be deemed to be NQSOs. Any provision of the Plan to the contrary notwithstanding, without the consent of each Participant affected, no provision of the Plan relating to ISOs shall be interpreted, amended, or altered, nor shall any discretion or authority granted under the Plan be so exercised, so as to disqualify the Plan under Section 422 of the Code or so as to disqualify any ISO under such Code Section 422.

(l.) No Stock Option Repricing Without Shareholder Approval.

The exercise price per Share of any Stock Option granted under the Plan shall not be changed or modified after the time such Stock Option is granted unless such change or modification is made with the prior approval of the holders of a majority of the shares of Class B Common Stock of the Company.

(m.) No Stock Option Repurchases Without Shareholder Approval.

The Committee shall not purchase Stock Options previously issued pursuant to the Plan from Participants for a share price greater than the current fair market value per share unless such purchase is made with the prior approval of the holders of a majority of the shares of Class B Common Stock of the Company.

Section 7. Restricted Shares.

Restricted Shares awarded under the Plan shall be subject to the following terms and conditions and such additional terms and conditions not inconsistent with the terms of the Plan as the Committee deems appropriate:

(a.) Price.

The purchase price for Restricted Shares shall be any price set by the Committee and may be zero. Payment in full of the purchase price, if any, shall be made by certified or bank cashier's check or other form of payment acceptable to the Company, or, if approved by the Committee, by (i) delivery of unrestricted Shares having a fair market value on the date of such delivery equal to the total purchase price, or (ii) a combination of the preceding methods.

(b.) Acceptance of Restricted Shares.

At the time of the Restricted Share Award, the Committee may determine that such Shares shall, after vesting, be further restricted as to transferability or be subject to repurchase by the Company or forfeiture upon the occurrence of certain events determined by the Committee, in its sole discretion, and specified in the Restricted Share Agreement. Awards of Restricted Shares must be accepted by the Participant within 30 days (or such other period as the Committee may specify at grant) after the grant date by executing the Restricted Share Agreement. The Participant shall not have any rights with respect to the grant of Restricted Shares unless and until the Participant has executed the Restricted Share Agreement, delivered a fully executed copy thereof to the Company, and otherwise complied with the applicable terms and conditions of the Award.

(c.) Share Restrictions.

Subject to the provisions of the Plan and the applicable Restricted Share Agreement, during such period as may be set by the Committee, in its discretion, and as shall be set forth in the applicable Restricted Share Agreement (the Restriction Period), the Participant shall not be permitted to sell, transfer, pledge, assign, or otherwise encumber the Restricted Shares. The Committee shall have the authority, in its sole discretion, to accelerate the time at which any or all

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of the restrictions shall lapse with respect to any Restricted Shares. Unless otherwise determined by the Committee at or after grant or termination of the Participant's employment, if the Participant's employment by the Company and its subsidiaries terminates during the Restriction Period, all Restricted Shares held by such Participant and still subject to restriction shall be forfeited by the Participant.

(d.) Stock Issuances and Restrictive Legends.

Upon execution and delivery of the Restricted Share Agreement as described above and receipt of payment of the full purchase price, if any, for the Restricted Shares subject to such Restricted Share Agreement, the Company shall, as soon as reasonably practicable thereafter, issue the Restricted Shares. Restricted Shares may be issued, whenever issued, in the form of a certificate, by book entry, or otherwise, in the Company's sole discretion, and shall bear an appropriate restrictive legend. Notwithstanding the foregoing to the contrary, the Committee may, in its sole discretion, require that Restricted Shares be issued to and held by the Company or a trustee of a trust set up by the Committee, consistent with the terms and conditions of the Plan, to hold such Restricted Shares until the restrictions thereon have lapsed (in full or in part, in the Committee's sole discretion), and the Committee may require that, as a condition of any Restricted Share Award, the Participant shall have delivered to the Company or such trustee, as appropriate, a stock power, endorsed in blank, relating to the Restricted Shares covered by the Award.

(e.) Shareholder Rights.

Unless otherwise provided in the applicable Restricted Share Agreement, no Participant (or his executor or administrator or other transferee) shall have any rights of a shareholder in the Company with respect to the Restricted Shares covered by an Award unless and until the Restricted Shares have been duly issued and delivered to him under the Plan.

(f.) Expiration of Restriction Period.

Upon the expiration of the Restriction Period without prior forfeiture of the Restricted Shares (or rights thereto) subject to such Restriction Period, unrestricted Shares shall be issued and delivered to the Participant.

(g.) Termination of Employment.

If a Participant's employment by the Company and its subsidiaries terminates before the end of any Restriction Period with the consent of the Committee, or upon the Participant's death, retirement (as defined in Section 6(h), above), or disability (as defined by the Committee in its discretion at the time of grant and set forth in the Restricted Share Agreement), the Committee may authorize the issuance to such Participant (or his legal representative or designated beneficiary) of all or a portion of the Restricted Shares which would have been issued to him had his employment continued to the end of the Restriction Period. If the Participant's employment by the Company and its subsidiaries terminates before the end of any Restriction Period for any other reason, all Restricted Shares shall be forfeited.

Section 8. Performance Shares.

Performance Shares awarded under the Plan shall be subject to the following terms and conditions and such additional terms and conditions not inconsistent with the terms of the Plan as the Committee deems appropriate:

(a.) Performance Periods and Goals.

(i) The performance period for each Award of Performance Shares shall be of such duration as the Committee shall establish at the time of the Award (the Performance Period). There may be more than one Award in existence at any one time, and Performance Periods may differ.

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(ii) At the time of each Award of Performance Shares, the Committee shall establish a range of performance goals (the Performance Goals) to be achieved during the Performance Period. The Performance Goals shall be determined by the Committee using such measures of the performance of the Company over the Performance Period as the Committee shall select, including without limitation earnings, return on capital, or any performance goal approved by the shareholders of the Company in accordance with Section 162(m) of the Code. Performance Shares awarded to Participants will be earned as determined by the Committee with respect to the attainment of the Performance Goals set for the Performance Period. Attainment of the highest Performance Goal for the Performance Period will earn 100% of the Performance Shares awarded for the Performance Period; failure to attain the lowest Performance Goal for the Performance Period will earn none of the Performance Shares awarded for the Performance Period. After the applicable Performance Period shall have ended, the Committee shall certify in writing the extent to which the established Performance Goals have been achieved and the number of Performance Shares earned.

(iii) Attainment of the Performance Goals will be determined by the Committee. If Performance Goals are based on the financial performance of the Company, attainment of the Performance Goals shall be determined from the consolidated financial statements of the Company, as applicable, but shall generally exclude (A) the effects of changes in federal income tax rates, (B) the effects of unusual, non-recurring, and extraordinary items as defined by Generally Accepted Accounting Principles (GAAP), and (C) the cumulative effect of changes in accounting principles in accordance with GAAP. The Performance Goals may vary for different Performance Periods and need not be the same for each Participant receiving an Award for a Performance Period. The Committee may, in its sole discretion, subject to the limitations of Section 17, vary the terms and conditions of any Performance Share Award, including without limitation the Performance Period and Performance Goals, without shareholder approval, as applied to any recipient who is not a covered employee with respect to the Company as defined in Section 162(m) of the Code. In the event applicable tax or securities laws change to permit the Committee discretion to alter the governing performance measures as they pertain to covered employees without obtaining shareholder approval of such changes, the Committee shall have sole discretion to make such changes without obtaining shareholder approval.

(b.) Price.

The purchase price for Performance Shares shall be any price set by the Committee and may be zero. Payment in full of the purchase price, if any, shall be made by certified or bank cashier's check or other form of payment acceptable to the Company, or, if approved by the Committee, by (i) delivery of unrestricted Shares having a fair market value on the date of such delivery equal to the total purchase price, or (ii) a combination of the preceding methods.

(c.) Acceptance of Performance Shares.

At the time of the Performance Share Award, the Committee may determine that such Shares shall, after vesting pursuant to the Performance Period and Performance Goal provisions described above, be further restricted as to transferability or be subject to repurchase by the Company or forfeiture upon the occurrence of certain events determined by the Committee, in its sole discretion, and specified in the Performance Share Agreement. Awards of Performance Shares must be accepted by the Participant within 30 days (or such other period as the Committee may specify at grant) after the grant date by executing the Performance Share Agreement. The Participant shall not have any rights with respect to the grant of Performance Shares unless and until the Participant has executed the Performance Share Agreement, delivered a fully executed copy thereof to the Company, and otherwise complied with the applicable terms and conditions of the Award.

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(d.) Share Restrictions.

Subject to the provisions of the Plan and the applicable Performance Share Agreement, during the Performance Period and any additional restriction period (as described in Section 8(c), above), the Participant shall not be permitted to sell, transfer, pledge, assign, or otherwise encumber the Performance Shares. The Committee shall have the authority, in its sole discretion, to accelerate the time at which any or all of the restrictions shall lapse with respect to any Performance Shares. Unless otherwise determined by the Committee at or after grant or termination of the Participant's employment, if the Participant's employment by the Company and its subsidiaries terminates during the Performance Period or any additional period of restriction, all Performance Shares held by such Participant and still subject to restriction shall be forfeited by the Participant.

(e.) Stock Issuances and Restrictive Legends.

Upon execution and delivery of the Performance Share Agreement as described above and receipt of payment of the full purchase price, if any, for the Performance Shares subject to such Performance Share Agreement, the Company shall, as soon as reasonably practicable thereafter, issue the Performance Shares. Performance Shares may be issued, whenever issued, in the form of a certificate, by book entry, or otherwise, in the Company's sole discretion, and shall bear an appropriate restrictive legend. Notwithstanding the foregoing to the contrary, the Committee may, in its sole discretion, require that the Performance Shares be issued to and held by the Company or a trustee of a trust set up by the Committee, consistent with the terms and conditions of the Plan, to hold such Performance Shares until the restrictions on such Performance Shares have lapsed (in full or in part, in the Committee's sole discretion), and the Committee may require that, as a condition of any Performance Share Award, the Participant shall have delivered to the Company or such trustee a stock power, endorsed in blank, relating to the Performance Shares covered by the Award.

(f.) Shareholder Rights.

Unless otherwise provided in the applicable Performance Share Agreement, no Participant (or his executor or administrator or other transferee) shall have any rights of a shareholder in the Company with respect to the Performance Shares covered by an Award unless and until the Performance Shares have been duly issued and delivered to him under the Plan.

(g.) Expiration of Restricted Period.

Subject to fulfillment of the terms and conditions of the applicable Performance Share Agreement and any other vesting requirements related to the applicable Performance Period or Performance Goals, and upon the expiration of any additional period of restriction as described in Section 8(c), if any, without prior forfeiture of the Performance Shares (or rights thereto) subject to such Restriction Period, unrestricted Shares shall be issued and delivered to the Participant.

(h.) Termination of Employment.

If a Participant's employment by the Company and its subsidiaries terminates before the end of any Performance Period with the consent of the Committee, or upon the Participant's death, retirement (as defined in Section 6(h), above), or disability (as defined by the Committee in its discretion at the time of grant and set forth in the Performance Share Agreement), the Committee, taking into consideration the performance of such Participant and the performance of the Company over the Performance Period, may authorize the issuance to such Participant (or his legal representative or designated beneficiary) of all or a portion of the Performance Shares which would have been issued to him had his employment continued to the end of the Performance Period. If the Participant's employment by the Company and its subsidiaries terminates before the end of any Performance Period for any other reason, all such Performance Shares shall be forfeited.

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Section 9. Restriction on Exercise After Termination.

Notwithstanding any provision of this Plan to the contrary, no unexercised right created under this Plan (an Unexercised Right) and held by a Participant on the date of termination of such Participant's employment with the Company and its subsidiaries for any reason shall be exercisable after such termination if, prior to such exercise, the Participant (a) takes other employment or renders services to others without the written consent of the Company, (b) violates any noncompetition, confidentiality, conflict of interest, or similar provision set forth in the Award Agreement pursuant to which such Unexercised Right was awarded, or (c) otherwise conducts himself in a manner adversely affecting the Company in the sole discretion of the Committee.

Section 10. Withholding Tax.

The Company, at its option, shall have the right to require the Participant or any other person receiving Shares, Restricted Shares, or Performance Shares (including cash in lieu of Performance Shares) to pay the Company the amount of any taxes which the Company is required to withhold with respect to such Shares, Restricted Shares, or Performance Shares or, in lieu of such payment, to retain or sell without notice a number of such Shares sufficient to cover the amount required to be so withheld. The Company, at its option, shall have the right to deduct from all dividends paid with respect to Shares, Restricted Shares, and Performance Shares the amount of any taxes which the Company is required to withhold with respect to such dividend payments. The Company, at its option, shall also have the right to require a Participant to pay to the Company the amount of any taxes which the Company is required to withhold with respect to the receipt by the Participant of Shares pursuant to the exercise of a Stock Option, or, in lieu of such payment, to retain, or sell without notice, a number of Shares sufficient to cover the amount required to be so withheld. The obligations of the Company under the Plan shall be conditional on such payment or other arrangements acceptable to the Company.

Section 11. Securities Law Restrictions.

No right under the Plan shall be exercisable and no Share shall be delivered under the Plan except in compliance with all applicable federal and state securities laws and regulations. The Company shall not be required to deliver any Shares or other securities under the Plan prior to such registration or other qualification of such Shares or other securities under any state or federal law, rule, or regulation as the Committee shall determine to be necessary or advisable. The Committee may require each person acquiring Shares under the Plan (a) to represent and warrant and agree with the Company, in writing, that such person is acquiring the Shares without a view to the distribution thereof, and (b) to make such additional representations, warranties, and agreements with respect to the investment intent of such person or persons as the Committee may reasonably request. Any certificates for such Shares may include any legend which the Committee deems appropriate to reflect any restrictions on transfer. All Shares or other securities delivered under the Plan shall be subject to such stop-transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon or market in which the Shares are then listed or traded, and any applicable federal or state securities law, and the Committee may cause a legend or legends to be put on any certificates evidencing such Shares to make appropriate reference to such restrictions.

Section 12. Change in Control.

(a.) Accelerated Vesting and Company Purchase Option.

Notwithstanding any provision of this Plan or any Award Agreement to the contrary (unless such Award Agreement contains a provision referring specifically to this Section 12 and stating

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that this Section 12 shall not be applicable to the Award evidenced by such Award Agreement), if a Change in Control or a Potential Change in Control (each as defined below) occurs, then:

(i) Any and all Stock Options theretofore granted and not fully vested shall thereupon become vested and exercisable in full and shall remain so exercisable in accordance with their terms, and the restrictions applicable to any or all Restricted Shares and Performance Shares shall lapse and such Shares and Awards shall be fully vested; provided that no Stock Option or other Award which has previously been exercised or otherwise terminated shall become exercisable; and

(ii) The Company may, at its option, terminate any or all unexercised Stock Options and portions thereof not more than 30 days after such Change in Control or Potential Change in Control; provided that the Company shall, upon such termination and with respect to each Stock Option so terminated, pay to the Participant (or such Participant's transferee, if applicable) theretofore holding such Stock Option cash in an amount equal to the difference between the fair market value (as defined in Section 6(a), above) of the Shares subject to the Stock Option at the time the Company exercises its option under this Section 12(a)(ii) and the exercise price of the Stock Option; and provided further that if such fair market value is less than such exercise price, then the Committee may, in its discretion, terminate such Stock Option without any payment.

(b.) Definition of Change in Control.

For purposes of the Plan, a Change in Control shall mean the happening of either of the following:

(i) When any person as defined in Section 3(a)(9) of the 1934 Act and as used in Sections 13(d) and 14(d) thereof, including a group as defined in Section 13(d) of the 1934 Act, but excluding the Company, any subsidiary of the Company, and any employee benefit plan sponsored or maintained by the Company or any subsidiary of the Company (including any trustee of such plan acting as trustee), directly or indirectly, becomes the beneficial owner (as defined in Rule 13d-3 under the 1934 Act) of securities of the Company representing 50% or more of the combined voting power of the Company's then outstanding securities; or

(ii) The occurrence of a transaction requiring stockholder approval for the acquisition of the Company by an entity other than the Company, a subsidiary of the Company, or any of their respective affiliates through purchase of assets, by merger, or otherwise. Notwithstanding the foregoing to the contrary, a change in control shall not be deemed to be a Change in Control for purposes of this Plan if the Incumbent Directors of the Board approve or had approved such change (A) described in Sections 12(b)(i), (ii), or 12(c)(i) of this Plan, or (B) prior to the commencement by any person other than the Company of a tender offer for Shares.

(c.) Definition of Potential Change in Control.

For purposes of the Plan, a Potential Change in Control means the happening of either one of the following:

(i) The approval by the stockholders of the Company of an agreement by the Company, the consummation of which would result in a Change in Control of the Company as defined in Section 12(b), above; or

(ii) The acquisition of beneficial ownership of the Company, directly or indirectly, by any entity, person, or group (other than the Company, a subsidiary of the Company, or any Company employee benefit plan (including any trustee of such plan acting as such trustee))

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representing 15% or more of the combined voting power of the Company's outstanding securities and the adoption by the Board of a resolution to the effect that a Potential Change in Control of the Company has occurred for purposes of the Plan.

Section 13. Changes in Capital Structure.

In the event the Company changes its outstanding Shares by reason of stock splits, stock dividends, or any other increase or reduction of the number of outstanding Shares without receiving consideration in the form of money, services, or property deemed appropriate by the Board, in its sole discretion, the aggregate number of Shares subject to the Plan, the limitation on the number of Shares available under the Plan for issuance pursuant to an Award other than Stock Options, the limitation on the number of Shares subject to ISOs and the limitations on the number of Shares subject to Stock Options, Restricted Shares and Performance Shares granted to any single Participant shall be proportionately adjusted or substituted and the number of Shares, and the exercise price for each Share subject to the unexercised portion of any then-outstanding Award shall be proportionately adjusted, with the objective that the Participant's proportionate interest in the Company shall reflect equitably the effects of such changes as applicable to the unexercised portion of any then-outstanding Awards, all as determined by the Committee in its sole discretion. In the event of any other recapitalization, corporate separation or division, or any merger, consolidation, or other reorganization of the Company, the Committee shall make such adjustment, if any, as it may deem appropriate to accurately reflect the number and kind of shares deliverable, and the exercise prices payable, upon subsequent exercise of any then-outstanding Awards, as determined by the Committee in its sole discretion. The Committee's determination of the adjustments appropriate to be made under this Section 13 shall be conclusive upon all Participants under the Plan.

Section 14. No Enlargement of Employee Rights.

The adoption of this Plan and the grant of one or more Awards to an employee of the Company or any of its subsidiaries shall not confer any right to the employee to continue in the employ of the Company or any such subsidiary and shall not restrict or interfere in any way with the right of his employer to terminate his employment at any time, with or without cause.

Section 15. Rights as a Shareholder.

No Participant or his executor or administrator or other transferee shall have any rights of a shareholder in the Company with respect to the Shares covered by an Award unless and until such Shares have been duly issued and delivered to him under the Plan.

Section 16. Acceleration of Rights.

The Committee shall have the authority, in its discretion, to accelerate the time at which a Stock Option or other Award right shall be exercisable whenever it may determine that such action is appropriate by reason of changes in applicable tax or other laws or other changes in circumstances occurring after the grant of the Award.

Section 17. Interpretation, Amendment, or Termination of the Plan.

The interpretation by the Committee of any provision of the Plan or of any Award Agreement executed pursuant to the grant of an Award under the Plan shall be final and conclusive upon all Participants or transferees under the Plan. The Board, without further action on the part of the shareholders of the Company, may from time to time alter, amend, or suspend the Plan or may at any time terminate the Plan, provided that:

(a) no such action shall materially and adversely affect any outstanding Stock Option under the Plan without the consent of the holder of such Stock Option; and (b) except for the adjustments provided for in Section 13, above, no amendment may be made by

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Board action without shareholder approval if the amendment would require shareholder approval under applicable law or regulation. Subject to the above provisions, the Board shall have authority to amend the Plan to take into account changes in applicable tax and securities laws and accounting rules, stock exchange or market rules, as well as other developments. The Committee may amend the terms of any Award theretofore granted, prospectively or retroactively; provided, no such amendment shall impair the rights of any Participant without the Participant's consent, unless it is made to cause the Plan or such Award to comply with applicable law, stock exchange or market rules or accounting rules.

Section 18. Unfunded Status of the Plan.

The Plan is intended to constitute an unfunded plan for incentive and deferred compensation. With respect to any payments or deliveries of Shares not yet made by the Company to a Participant or transferee nothing contained herein shall give any such Participant or transferee any rights that are greater than those of a general creditor of the Company. The Committee may authorize the creation of trusts or other arrangements to meet obligations created under the Plan to deliver Shares or payments hereunder consistent with the foregoing.

Section 19. Protection of Board and Committee.

No member of the Board or the Committee shall have any liability for any determination or other action made or taken in good faith with respect to the Plan or any Award granted under the Plan.

Section 20. Government Regulations.

Notwithstanding any provision of the Plan or any Award Agreement executed pursuant to the Plan, the Company's obligations under the Plan and such Award Agreement shall be subject to all applicable laws, rules, and regulations and to such approvals as may be required by any governmental or regulatory agencies, including without limitation, any stock exchange or market on which the Company's Shares may then be listed or traded.

Section 21. Governing Law.

The Plan shall be construed under and governed by the laws of the State of Delaware.

Section 22. Genders and Numbers.

When permitted by the context, each pronoun used in the Plan shall include the same pronoun in other genders and numbers.

Section 23. Captions.

The captions of the various sections of the Plan are not part of the context of the Plan, but are only labels to assist in locating those sections, and shall be ignored in construing the Plan.

Section 24. Effective Date.

The Plan shall be effective December 4, 2000 (the Effective Date). The Plan shall be submitted to the shareholders of the Company for approval and ratification as soon as practicable but in any event not later than 12 months after the adoption of the Plan by the Board. If the Plan is not approved and ratified by the shareholders of the Company within 12 months after the adoption of the Plan by the Board, the Plan and all Awards granted under the Plan shall become null and void and have no further force or effect.

Section 25. Term of Plan.

No Award shall be granted pursuant to the Plan on or after the **twentieth** anniversary of the Effective Date, but Awards granted prior to such **twentieth** anniversary may extend beyond that date.

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Section 26. Savings Clause.

In case any one or more of the provisions of this Plan or any Award shall be held invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and the invalid, illegal, or unenforceable provision shall be deemed null and void; however, to the extent permissible by law, any provision which could be deemed null and void shall first be construed, interpreted, or revised retroactively to permit this Plan or such Award, as applicable, to be construed so as to foster the intent of this Plan. This Plan and all Awards are intended to comply in all respects with applicable law and regulation, including, as applicable, Section 422 of the Code, Rule 16b-3 under the 1934 Act (with respect to persons subject to Section 16 of the 1934 Act (Reporting Persons)), and Section 162(m) of the Code (with respect to covered employees as defined under Section 162(m) of the Code (Covered Employees)). In case any one or more of the provisions of this Plan or any Award shall be held to violate or be unenforceable in any respect under Code Section 422, if applicable, Rule 16b-3, or Code Section 162(m), then, to the extent permissible by law, any provision which could be deemed to violate or be unenforceable under Code Section 422, Rule 16b-3, or Code Section 162(m) shall first be construed, interpreted, or revised retroactively to permit the Plan or such Award, as applicable, to be in compliance with Code Section 422, Rule 16b-3, and Code Section 162(m). Notwithstanding anything in this Plan to the contrary, the Committee, in its sole discretion, may bifurcate the Plan so as to restrict, limit, or condition the use of any provision of this Plan to Participants who are Reporting Persons or Covered Employees without so restricting, limiting, or conditioning this Plan with respect to other Participants.

The Committee may modify the terms of any Award under the Plan granted to a Participant who, at the time of grant or during the term of the Award, is resident or employed outside of the United States in any manner deemed by the Committee to be necessary or appropriate in order to accommodate differences in local law, regulation, tax policy or custom, or so that the value and other benefits of the Award to the Participant, as affected by foreign tax laws and other restrictions applicable as a result of the Participant's residence or employment abroad, will be comparable to the value of such Award to a Participant who is resident or employed in the United States. Moreover, the Committee may approve such supplements to, or amendments, restatements or alternative versions of this Plan as it may consider necessary or appropriate for such purposes without thereby affecting the terms of this Plan as in effect for any other purpose, provided that no such supplements, amendments, restatements or alternative versions shall include any provisions that are inconsistent with the terms of the Plan, as then in effect, unless this Plan could have been amended to eliminate such inconsistency without further approval of shareholders of the Company.

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