

SEMPRA ENERGY
Form 424B2
June 11, 2014
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Filed pursuant to Rule 424(b)(2)

Registration No. 333-176855

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Maximum Offering Price Per Note	Maximum Aggregate Offering Price	Amount of Registration Fee(1)
3.55% Notes due 2024	\$500,000,000	99.708%	\$498,540,000	\$64,211.96

(1) Calculated in accordance with Rule 457(r) and Rule 456(b) under the Securities Act of 1933, as amended.

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PROSPECTUS SUPPLEMENT

(To Prospectus dated September 15, 2011)

\$500,000,000 3.55% Notes due 2024

We are offering \$500,000,000 aggregate principal amount of our 3.55% Notes due 2024 (the "notes"). The notes will bear interest at the rate of 3.55% per year and mature on June 15, 2024. Interest on the notes will accrue from June 13, 2014 and will be payable on June 15 and December 15 of each year, beginning on December 15, 2014. At our option, we may redeem some or all of the notes at any time at the applicable redemption price described in this prospectus supplement. The notes will be our unsecured and unsubordinated obligations and will rank on a parity in right of payment with all of our other unsecured and unsubordinated indebtedness.

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

	Per Note	Total
Public Offering Price (1)	99.708%	\$ 498,540,000
Underwriting Discount	0.650%	\$ 3,250,000
Proceeds to Sempra Energy (before expenses) (1)	99.058%	\$ 495,290,000

(1) Plus accrued interest from June 13, 2014 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.

We expect the notes will be ready for delivery through The Depository Trust Company on or about June 13, 2014.

Joint Book-Running Managers

Deutsche Bank Securities

J.P. Morgan

Wells Fargo Securities

Credit Suisse
Co-Managers

Goldman, Sachs & Co.

US Bancorp

June 10, 2014

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This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of the offering of the notes and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference in the accompanying prospectus. The second part is the accompanying prospectus, which gives more general information, some of which does not apply to the notes. If the description of the notes or the offering of the notes varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should rely only on the information contained or incorporated by reference in this prospectus supplement, in the accompanying prospectus and in any related free writing prospectus issued by us. We have not, and the underwriters have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus and any such free writing prospectus is accurate only as of the date on their respective covers and that the information contained in documents incorporated by reference is accurate only as of the respective dates of those documents. Our business, financial condition, results of operations and prospects may have changed since that date.

The distribution of this prospectus supplement, the accompanying prospectus and any related free writing prospectus filed with the Securities and Exchange Commission and the offering of the notes in certain jurisdictions may be restricted by law. Persons into whose possession this prospectus supplement, the accompanying prospectus and any such free writing prospectus come should inform themselves about and observe any such restrictions. This prospectus supplement, the accompanying prospectus and any such free writing prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation. See Underwriting.

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FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents they incorporate by reference contain, and any related free writing prospectus issued by us may contain, statements that are not historical fact and constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. When we use words like believes, expects, anticipates, plans, estimates, projects, forecasts, contemplates, intends, depends, should, could, would, will, may, potential, target, pursue, goals, outlook, maintain, or similar words, when we discuss our guidance, strategy, plans, goals, opportunities, projections, initiatives, objectives or intentions, we are making forward-looking statements. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Our future results may differ materially from those expressed in these forward-looking statements. We assume no obligation to update or revise any forward-looking statement as a result of new information, future events or other factors. These statements are necessarily based upon various assumptions involving judgments with respect to the future and other risks, including, among others:

local, regional, national and international economic, competitive, political, legislative and regulatory conditions and developments;

actions and the timing of actions, including issuances of permits to construct and licenses for operation, by the California Public Utilities Commission, California State Legislature, U.S. Department of Energy, Federal Energy Regulatory Commission, Nuclear Regulatory Commission, Atomic Safety and Licensing Board, California Energy Commission, California Air Resources Board, and other regulatory, governmental and environmental bodies in the United States and other countries in which we operate;

capital markets conditions, including the availability of credit and the liquidity of our investments;

the timing and success of business development efforts and construction, maintenance and capital projects, including risks in obtaining permits, licenses, certificates and other authorizations on a timely basis and risks in obtaining adequate and competitive financing for such projects;

inflation, interest and exchange rates;

the impact of benchmark interest rates, generally Moody's A-rated utility bond yields, on our California utilities' cost of capital;

energy markets, including the timing and extent of changes and volatility in commodity prices;

the availability of electric power, natural gas and liquefied natural gas, including disruptions caused by failures in the North American transmission grid, pipeline explosions and equipment failures and the decommissioning of San Onofre Nuclear Generating Station;

weather conditions, natural disasters, catastrophic accidents, and conservation efforts;

risks inherent with nuclear power facilities and radioactive materials storage, including the catastrophic release of such materials, the disallowance of the recovery of the investment in or operating costs of the nuclear facility due to an extended outage and facility closure, and increased regulatory oversight;

risks that our partners or counterparties will be unable or unwilling to fulfill their contractual commitments;

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risks posed by decisions and actions of third parties who control the operations of investments in which we do not have a controlling interest;

wars, terrorist attacks that threaten system operations and critical infrastructure, and cybersecurity threats to the energy grid and the confidentiality of our proprietary information and the personal information of our customers;

business, regulatory, environmental and legal decisions and requirements;

expropriation of assets by foreign governments and title and other property disputes;

the impact on reliability of San Diego Gas & Electric Company's (SDG&E) electric transmission and distribution system due to increased amount and variability of power supply from renewable energy sources;

the impact on competitive customer rates of the growth in distributed and local power generation and the corresponding decrease in demand for power delivered through SDG&E's electric transmission and distribution system;

the inability or determination not to enter into long-term supply and sales agreements or long-term firm capacity agreements;

the resolution of litigation; and

other uncertainties, all of which are difficult to predict and many of which are beyond our control.

We caution you not to rely unduly on any forward-looking statements. These risks and uncertainties are discussed in more detail under Risk Factors, Business and Management's Discussion and Analysis of Financial Condition and Results of Operations and elsewhere in our reports and other documents on file with the Securities and Exchange Commission (the SEC), that are incorporated by reference into this prospectus supplement and the accompanying prospectus. You may obtain copies of these documents as described under Where You Can Find More Information in the accompanying prospectus.

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SUMMARY INFORMATION

The following information supplements, and should be read together with, the information contained in the accompanying prospectus and the documents incorporated by reference therein. You should carefully read this prospectus supplement and the accompanying prospectus, as well as the documents they incorporate by reference and any related free writing prospectus issued by us, before making an investment decision. Unless we state otherwise or the context otherwise requires, references appearing in this prospectus supplement to we, us and our should be read to refer to Sempra Energy and its subsidiaries.

Sempra Energy

Sempra Energy is a Fortune 500 energy-services holding company whose operating units develop energy infrastructure, operate utilities and provide related services to their customers. Our operations are divided principally between our California utilities, which are San Diego Gas & Electric Company and Southern California Gas Company, and Sempra International and Sempra U.S. Gas & Power.

Our California utility subsidiaries, Southern California Gas Company and San Diego Gas & Electric Company, serve approximately 24 million consumers. Natural gas service is provided throughout Southern California and portions of Central California through approximately 6.7 million meters. Electric service is provided throughout San Diego County and portions of Orange County, both in Southern California, through approximately 1.4 million meters.

Our principal executive offices are located at 101 Ash Street, San Diego, California 92101 and our telephone number is (619) 696-2000.

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The Offering

Issuer	Sempra Energy.
Amount of Notes Offered	\$500,000,000 aggregate principal amount of 3.55% Notes due 2024 (the "notes").
Maturity	June 15, 2024.
Interest Rate	3.55% per annum, accruing from June 13, 2014.
Interest Payment Dates	June 15 and December 15 of each year, beginning December 15, 2014.
Ranking	The notes are our unsecured and unsubordinated obligations and will rank on a parity in right of payment with all of our other unsecured and unsubordinated indebtedness. The notes will rank senior to all of our existing and future indebtedness, if any, that is subordinated to the notes. The notes will be effectively subordinated to any secured indebtedness we may incur (to the extent of the collateral securing such secured indebtedness) and will also be effectively subordinated to all indebtedness and other liabilities of our subsidiaries.
Optional Redemption	At our option, we may redeem some or all of the notes at any time at the redemption prices described in this prospectus supplement. See "Description of the Notes—Optional Redemption."
Covenants	The notes and the related indenture do not contain any financial or other similar restrictive covenants. However, we will be subject to the covenant described under the caption "Description of Debt Securities—Consolidation, Merger and Conveyance of Assets as an Entirety; No Financial Covenants" in the accompanying prospectus.
Use of Proceeds	We estimate the net proceeds (after deducting the underwriting discount but before deducting our estimated offering expenses) from this offering will be approximately \$495.3 million. We intend to use the net proceeds of the offering to repay commercial paper bearing interest at rates less than 1%.
As used on this page, references to "we," "us" and "our" mean Sempra Energy excluding its subsidiaries.	

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RISK FACTORS

Investment in the notes involves risks. You should carefully consider the risk factors incorporated by reference to our most recent Annual Report on Form 10-K, our subsequent Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K filed with the SEC subsequent to our most recently completed fiscal year and all other information contained or incorporated by reference into this prospectus supplement and the accompanying prospectus, as updated by our subsequent filings under the Securities Exchange Act of 1934, as amended, before acquiring any of such notes. The occurrence of any of these risks might cause you to lose all or part of your investment in the notes. See also Forward-Looking Statements.

USE OF PROCEEDS

We intend to use the net proceeds of approximately \$495.3 million (after deducting the underwriting discount but before deducting our estimated offering expenses) from the sale of the notes to repay commercial paper bearing interest at rates less than 1%. We estimate that the expenses for this offering, excluding the underwriting discount, will be approximately \$500,000.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our ratio of earnings to fixed charges for each of the five years in the period ended December 31, 2013 and for the three months ended March 31, 2014.

	Three Months Ended		Years Ended December 31,			
	March 31, 2014	2013	2012	2011	2010	2009
Ratio of earnings to fixed charges	3.39	3.26	3.05	4.22	3.48	3.94

We determined the ratio of earnings to fixed charges by dividing (a) the sum of pretax income (excluding undistributed income of equity investees, preferred dividends of subsidiaries and capitalized interest) and fixed charges by (b) fixed charges consisting of all interest expense (before allowances for borrowed funds used during construction), preferred dividends of subsidiaries, a portion of rent expense that approximates the interest component of such expense and amortization of debt issuance costs.

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DESCRIPTION OF THE NOTES

The notes will be a series of our senior debt securities issued under an indenture between Sempra Energy, as issuer, and U.S. Bank National Association, as trustee. In this section and under the caption **Description of Debt Securities** in the accompanying prospectus, references to Sempra Energy, we, our, us and the Company mean Sempra Energy excluding, unless otherwise expressly stated or the context otherwise requires, its subsidiaries.

The summary of selected provisions of the notes and the indenture appearing below supplements, and to the extent inconsistent supersedes and replaces, the description of the general terms and provisions of the senior debt securities and the indenture contained in the accompanying prospectus. This summary is not complete and is qualified by reference to provisions of the notes and the indenture. Forms of the notes and the indenture have been or will be filed with the SEC and you may obtain copies as described under **Where You Can Find More Information** in the accompanying prospectus.

Interest Rate and Maturity

The notes will bear interest at the rate of 3.55% per year computed on the basis of a 360-day year of twelve 30-day months. Interest on the notes will accrue from June 13, 2014 and will be payable semi-annually in arrears on June 15 and December 15 of each year, beginning on December 15, 2014, to the holders of record at the close of business on the immediately preceding June 1 and December 1, respectively.

The notes will mature on June 15, 2024. The notes are subject to earlier redemption at our option as described under **Optional Redemption**.

If any interest payment date, redemption date or the maturity date of the notes is not a business day at any place of payment, then payment of the principal, premium, if any, and interest may be made on the next business day at that place of payment. In that case, no interest will accrue on the amount payable for the period from and after the applicable interest payment date, redemption date or maturity date, as the case may be.

Ranking

The notes will be our unsecured and unsubordinated obligations and will rank on a parity in right of payment with all of our other unsecured and unsubordinated indebtedness. The notes will rank senior to all of our existing and future indebtedness, if any, that is subordinated to the notes. The notes will be effectively subordinated to any secured indebtedness we may incur (to the extent of the collateral securing that indebtedness). The notes are our obligations exclusively, and are not the obligations of any of our subsidiaries. Because we conduct our operations primarily through our subsidiaries and substantially all of our consolidated assets are held by our subsidiaries, the notes will be effectively subordinated to all existing and future indebtedness and other liabilities of our subsidiaries. At March 31, 2014, our subsidiaries had total consolidated liabilities of \$20.6 billion, including \$148 million owed to us. See **Description of Debt Securities Holding Company Structure** in the accompanying prospectus.

Optional Redemption

We will be entitled to redeem the notes at our option as described below.

Prior to March 15, 2024, we may redeem the notes at our option, at any time in whole or from time to time in part, at a redemption price for any redemption date equal to the greater of the following amounts:

100% of the principal amount of the notes being redeemed on that redemption date; or

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the sum of the present values of the remaining scheduled payments of principal and interest on the notes being redeemed on that redemption date (not including any portion of any payments of interest accrued to the redemption date) discounted to the redemption date on a semi-annual basis at the Adjusted Treasury Rate (as defined below) plus 15 basis points, as determined by the Independent Investment Banker (as defined below),

plus, in each case, accrued and unpaid interest on the notes to be redeemed to the redemption date.

On and after March 15, 2024, we may redeem the notes, at our option, at any time in whole or from time to time in part, at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest thereon to the redemption date.

Notwithstanding the foregoing, installments of interest on the notes that are due and payable on any interest payment date falling on or prior to a redemption date will be payable on that interest payment date to the registered holders thereof as of the close of business on the relevant record date according to the terms of the notes and the indenture. The redemption price will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Adjusted Treasury Rate means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming 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.

Comparable Treasury Issue means, with respect to any redemption date, the United States Treasury security selected by the Independent Investment Banker as having a maturity comparable to the remaining term of the notes to be redeemed on such redemption date 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, (A) the average of the Reference Treasury Dealer Quotations for such redemption date or (B) if only one Reference Treasury Dealer Quotation is received, such quotation.

Independent Investment Banker means, with respect to any redemption date, one of the Reference Treasury Dealers appointed by us to act as the Independent Investment Banker.

Reference Treasury Dealer means, with respect to any redemption date, (A) Deutsche Bank Securities Inc. and J.P. Morgan Securities LLC (or their respective affiliates which are Primary Treasury Dealers (as defined below)), and their respective successors; provided, however, that if any of the foregoing shall cease to be a primary U.S. Government securities dealer in the United States (a Primary Treasury Dealer), we will substitute therefor another Primary Treasury Dealer; (B) one other Primary Treasury Dealer selected by Wells Fargo Securities, LLC or its successor; and (C) any other Primary Treasury Dealer(s) selected by us.

Reference Treasury Dealer Quotation means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by us, 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 us by such Reference Treasury Dealer at 5:00 p.m. (New York City time) on the third business day preceding such redemption date. As used in the preceding sentence, **business day** means any day (other than a Saturday or Sunday) on which banking institutions in The City of New York are not authorized or obligated by law or executive order to remain closed.

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We will mail notice of any redemption at least 30 days but not more than 60 days before the redemption date to each registered holder of the notes to be redeemed. Once notice of redemption is mailed, the notes called for redemption will become due and payable on the redemption date at the applicable redemption price, plus accrued and unpaid interest to the redemption date, and will be paid upon surrender thereof for redemption. If only part of a note is redeemed, the trustee will deliver a new note in a principal amount equal to the unredeemed portion of the principal of the note surrendered for redemption. If we elect to redeem all or a portion of the notes, that redemption will not be conditional upon receipt by the paying agent or the trustee of monies sufficient to pay the redemption price.

Unless we default in payment of the redemption price, on and after the redemption date interest will cease to accrue on the notes or portions thereof called for redemption.

Events of Default

An event of default occurs with respect to the notes if:

- (a) we do not pay any interest on any note within 30 days of the due date;
- (b) we do not pay any principal of or premium, if any, on any note on the due date;
- (c) we remain in breach of any other covenant or warranty (excluding covenants and warranties solely applicable to another series of debt securities issued under the indenture) in the indenture or the notes for 60 days after we are given a written notice of default stating we are in breach and requiring remedy of the breach; the notice must be sent by either the trustee or registered holders of at least 25% of the principal amount of the outstanding notes; or
- (d) we file for bankruptcy or other specified events in bankruptcy, insolvency, receivership or reorganization of us occur.

No event of default with respect to the notes necessarily constitutes an event of default with respect to the debt securities of any other series issued under the indenture.

The terms of approximately \$3.1 billion aggregate principal amount of outstanding senior debt securities that we previously issued under the indenture (the prior debt securities) include a so-called cross-default event of default, which would occur, in general, upon our failure to pay when due, or the acceleration of, certain threshold amounts of our debt of at least \$25 million or, in the case of the cross-default event of default applicable to certain prior debt securities, \$100 million. The notes offered hereby do not include a cross-default event of default. Accordingly, the principal of and interest on the prior debt securities may be declared due and payable immediately upon the occurrence of a cross-default event of default, while the holders of the notes will not be entitled to accelerate the notes as a result of such event.

Other

The notes will not be subject to a sinking fund or entitled to any guarantees and you will not be permitted to require us to redeem or repurchase the notes at your option.

We will pay principal of and premium, if any, on the notes at stated maturity, upon redemption or otherwise, upon presentation of the notes at the office of the trustee, as our paying agent. In our discretion, we may appoint one or more additional paying agents and security registrars and designate one or more additional places for payment and for registration of transfer, but we must at all times maintain a place of payment of the notes and a place for registration of transfer of the notes in the Borough of Manhattan, The City of New York.

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We may, from time to time, without notice to or the consent of the holders of the notes, increase the principal amount of the notes under the indenture and issue such increased principal amount (or any portion thereof), in which case any additional notes so issued shall have the same form and terms (other than offering price, the date of issuance and, under certain circumstances, the date from which interest thereon shall begin to accrue and the first interest payment date), and shall carry the same right to receive accrued and unpaid interest, as the notes previously issued and such additional notes shall form a single series with the notes offered by this prospectus supplement, provided that such additional notes shall be fungible with the notes offered by this prospectus supplement for United States federal income tax purposes.

The notes initially will be issued in book-entry form and represented by one or more global securities deposited with, or on behalf of, The Depository Trust Company, as Depositary, and registered in the name of Cede & Co., its nominee. This means that you will not be entitled to receive a certificate for the notes that you purchase except in limited circumstances set forth in the indenture. The notes will be issued only in fully registered form without coupons, in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. We expect that payments due on notes in book-entry form will be paid by wire transfer of funds to the Depositary or its nominee.

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MATERIAL UNITED STATES FEDERAL TAX CONSIDERATIONS

The following is a summary of certain material United States federal income tax considerations relating to the purchase, ownership and disposition of the notes, but does not purport to be a complete analysis of all the potential tax considerations relating thereto. This summary is based upon the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), Treasury Regulations promulgated thereunder, administrative rulings and judicial decisions, each as of the date hereof. These authorities may be changed, perhaps retroactively, so as to result in United States federal income tax consequences different from those set forth below. We have not sought any ruling from the Internal Revenue Service or an opinion of counsel with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the Internal Revenue Service will agree with such statements and conclusions.

This summary is limited to holders who purchase the notes upon their initial issuance at their initial issue price (which will equal the first price at which a substantial amount of notes is sold to the public for cash) and who hold the notes as capital assets (generally, property held for investment). This summary does not address United States federal tax laws other than income tax laws, and it does not address tax considerations arising under the laws of any foreign, state or local jurisdiction. In addition, this discussion does not address all tax considerations that may be applicable to a holder's particular circumstances or to holders that may be subject to special tax rules, including, without limitation:

holders subject to the alternative minimum tax;

banks, insurance companies or other financial institutions;

tax-exempt organizations;

regulated investment companies or real estate investment trusts;

dealers in securities or commodities;

traders in securities that elect to use a mark-to-market method of accounting for their securities holdings;

foreign persons or entities (except to the extent specifically set forth below);

S-corporations, partnerships or other pass-through entities;

expatriates and certain former citizens or long-term residents of the United States;

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

persons who hold the notes as a position in a hedging transaction, straddle, conversion transaction or other risk reduction transaction; or

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persons deemed to sell the notes under the constructive sale provisions of the Code.

If a partnership (or other entity taxable as a partnership for United States federal income tax purposes) holds notes, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. If you are a partner in a partnership holding our notes, you should consult your tax advisor regarding the tax consequences of the purchase, ownership and disposition of the notes.

THIS SUMMARY OF CERTAIN MATERIAL UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS IS FOR GENERAL INFORMATION ONLY AND IS NOT TAX ADVICE. YOU ARE URGED TO CONSULT YOUR TAX ADVISOR WITH RESPECT TO THE APPLICATION OF

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UNITED STATES FEDERAL INCOME TAX LAWS TO YOUR PARTICULAR SITUATION AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE NOTES ARISING UNDER OTHER UNITED STATES FEDERAL TAX RULES OR UNDER THE LAWS OF ANY STATE, LOCAL, FOREIGN OR OTHER TAXING JURISDICTION OR UNDER ANY APPLICABLE TAX TREATY.

Consequences to U.S. Holders

The following is a summary of certain material United States federal income tax consequences that will apply to you if you are a U.S. holder (as defined below) of the notes. Certain consequences to non-U.S. holders (as defined below) of the notes are described under **Consequences to Non-U.S. Holders** below. The term **U.S. holder** means a beneficial owner of a note that is:

an individual who is a citizen or resident of the United States;

a corporation (or other entity taxable as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States or of any state thereof or the District of Columbia;

an estate the income of which is subject to United States federal income taxation regardless of its source; or

a trust that (i) is subject to the primary supervision of a United States court and the control of one or more United States persons or (ii) has a valid election in effect under applicable Treasury Regulations to be treated as a United States person.

Payments of Interest

You generally will be required to recognize any stated interest as ordinary income at the time it is paid or accrued on the notes in accordance with your regular method of accounting for United States federal income tax purposes.

Sale, Exchange, Redemption or Other Taxable Disposition of Notes

You generally will recognize capital gain or loss upon the sale, exchange, redemption or other taxable disposition of a note in an amount equal to the difference between (i) the sum of cash plus the fair market value of all other property received on such disposition (except to the extent such cash or property is attributable to accrued but unpaid interest not previously included in income, which generally will be taxable as ordinary income) and (ii) your adjusted tax basis in the note. Your adjusted tax basis in a note generally will equal the amount you paid for the note. Under current law, if you are a non-corporate U.S. holder, including an individual, and have held the note for more than one year at the time of disposition, such capital gain generally will be subject to tax at a maximum rate of 20%. Your ability to deduct capital losses may be limited.

Backup Withholding and Information Reporting

Payments of interest and principal on notes held by U.S. holders and the proceeds received upon the sale, exchange, redemption or other disposition of such notes may be subject to information reporting and backup withholding. Payments to certain holders (including, among others, certain tax-exempt organizations) are generally not subject to information reporting or backup withholding. If you are a U.S. holder and you are not otherwise exempt, payments to you will be subject to backup withholding if:

you fail to furnish your taxpayer identification number (**TIN**), which, for an individual, is ordinarily his or her social security number, in the manner required by the Code and applicable Treasury Regulations;

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we or our agent (or other payor) are notified by the Internal Revenue Service that the TIN you furnished is incorrect;

there has been a notified payee underreporting with respect to interest or dividends paid to you, as described in the Code; or

you have failed to certify under penalty of perjury that you have furnished a correct TIN and that you are not subject to backup withholding under the Code.

You should consult your tax advisor regarding your qualification for an exemption from backup withholding and information reporting and the procedures for obtaining such an exemption, if applicable. Backup withholding is not an additional tax, and you may use amounts withheld under the backup withholding rules as a credit against your United States federal income tax liability or may claim a refund as long as you provide the required information to the Internal Revenue Service in a timely manner.

Net Investment Income

A 3.8% tax will be imposed on a portion or all of the net investment income of certain individuals with a modified adjusted gross income of over \$200,000 (\$250,000 in the case of joint filers) and on the undistributed net investment income of certain estates and trusts. Among other items, net investment income generally includes gross income from interest and net gain attributable to the disposition of certain property, such as the notes, less certain deductions. U.S. holders should consult their own tax advisors regarding the possible implications of this legislation in their particular circumstances.

Consequences to Non-U.S. Holders

The following is a summary of certain material United States federal income tax consequences that will apply to you if you are a non-U.S. holder of notes. The term non-U.S. holder means a beneficial owner of a note that is not a partnership (or other entity taxable as a partnership for United States federal income tax purposes) or a U.S. holder.

Special rules may apply to certain non-U.S. holders such as controlled foreign corporations and passive foreign investment companies. Such entities should consult their tax advisors to determine the United States federal, state, local and other tax consequences that may be relevant to them.

Payments of Interest

The 30% United States federal withholding tax will not apply to any payment to you of interest on a note provided that such interest is not effectively connected with your conduct of a United States trade or business and:

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

you are not a controlled foreign corporation with respect to which we are, directly or indirectly, a related person ;

you are not a bank receiving interest pursuant to a loan agreement entered into in the ordinary course of your trade or business; and

(a) you provide your name and address, and certify, under penalties of perjury, that you are not a United States person (which certification may be made on an Internal Revenue Service

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Form W-8BEN (or successor form)) or (b) a securities clearing organization, bank, or other financial institution that holds customers' securities in the ordinary course of its business holds the note on your behalf and certifies, under penalties of perjury, that it has received Internal Revenue Service Form W-8BEN from you or from another qualifying financial institution intermediary, and, in certain circumstances, provides a copy of the Internal Revenue Service Form W-8BEN. If you hold your notes through certain foreign intermediaries or certain foreign partnerships, such foreign intermediaries or partnerships must also satisfy the certification requirements of applicable Treasury Regulations.

If you cannot satisfy the requirements described above, you will be subject to the 30% United States federal withholding tax with respect to payments of interest on the notes, unless you provide us with a properly executed (1) Internal Revenue Service Form W-8BEN (or successor form) claiming an exemption from or reduction in withholding under the benefit of an applicable United States income tax treaty or (2) Internal Revenue Service Form W-8ECI (or successor form) stating that the interest paid on the note is not subject to withholding tax because it is effectively connected with your conduct of a trade or business in the United States.

If you are engaged in a trade or business in the United States and interest on a note is effectively connected with your conduct of that trade or business (and, if an income tax treaty applies, such interest is attributable to a permanent establishment maintained by you in the United States), you will be subject to United States federal income tax on that interest on a net income basis (although you will be exempt from the 30% withholding tax, provided the certification requirements described above are satisfied) in the same manner as if you were a United States person as defined under the Code. In addition, if you are a foreign corporation, you may be subject to a branch profits tax equal to 30% (or lower applicable treaty rate) of your earnings and profits for the taxable year, subject to adjustments, that are effectively connected with your conduct of a trade or business in the United States. For this purpose, interest will be included in the earnings and profits of such foreign corporation.

Sale, Exchange, Redemption or Other Taxable Disposition of Notes

Any gain realized upon the sale, exchange, redemption or other taxable disposition of a note (other than any amount allocable to accrued and unpaid interest, which will be taxable as interest and may be subject to the rules discussed above in **Consequences to Non-U.S. Holders** **Payments of Interest**) generally will not be subject to United States federal income tax unless:

that gain is effectively connected with your conduct of a trade or business in the United States (and, if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by you in the United States); or

you are an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met.

If your gain is effectively connected with your conduct of a United States trade or business (and, if an income tax treaty applies, such gain is attributable to a permanent establishment maintained by you in the United States), you generally will be subject to United States federal income tax on the net gain derived from the sale, exchange, redemption or other disposition in the same manner as if you were a United States person (as defined under the Code). If you are a corporation, any such effectively connected gain received by you may also, under certain circumstances, be subject to the branch profits tax at a 30% rate (or such lower rate as may be prescribed under an applicable United States income tax treaty). If you are described in the second bullet point above, you will be subject to United States federal income tax on the gain derived from the sale, exchange, redemption or other disposition at a 30% rate (or such lower rate as may be prescribed under an applicable United States income tax treaty), which gain may be offset by United States source capital losses, even though you are not considered a resident of the United States.

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Backup Withholding and Information Reporting

If you are a non-U.S. holder, you will generally not be subject to backup withholding and information reporting with respect to payments that we make to you, or with respect to the proceeds of the sale of a note within the United States or conducted through certain United States-related financial intermediaries, if the payor receives the statement described above under *Consequences to Non-U.S. Holders Payments of Interest* and does not have actual knowledge or reason to know that you are a United States person, as defined under the Code, or you otherwise establish an exemption. However, we may be required to report annually to the Internal Revenue Service and to you the amount of, and the tax withheld with respect to, any interest paid to you, regardless of whether any tax was actually withheld. Copies of these information returns may also be made available under the provisions of a specific treaty or agreement to the tax authorities of the country in which you reside.

You generally will be entitled to credit any amounts withheld under the backup withholding rules against your United States federal income tax liability provided that the required information is furnished to the Internal Revenue Service in a timely manner.

Foreign Account Tax Compliance

Under Sections 1471 through 1747 of the Code (*FATCA*), unless a *grandfather rule* applies to debt obligations issued by a U.S. issuer, withholding may be required on certain payments to holders of those obligations (including intermediaries) that do not provide certain information to the applicable withholding agent, which may include the name, address, taxpayer identification number and certain other information with respect to direct and certain indirect U.S. Holders. Certain countries have entered into, and other countries are expected to enter into, agreements with the United States to facilitate the type of information reporting required under *FATCA*, which will reduce, but not eliminate the risk of *FATCA* withholding for investors in or holding notes through financial institutions in such countries. If applicable, *FATCA* withholding is scheduled to apply to payments of U.S. source dividends, interest, and other fixed payments beginning July 1, 2014 and to payments from the disposition of property producing such payments (e.g. notes) beginning January 1, 2017. If *FATCA* withholding were to apply, neither we nor any paying agent nor any other person would be required to pay additional amounts as a result of such withholding.

The *grandfather rule* exempts from *FATCA* withholding, payments related to debt obligations that are outstanding on July 1, 2014 unless such obligations are significantly modified (and thus are treated as being reissued for United States federal income tax purposes) after such date. The notes issued hereunder will be issued prior to, and will be outstanding on, July 1, 2014 and thus will not be subject to *FATCA* withholding under the *grandfather rule*.

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UNDERWRITING

Deutsche Bank Securities Inc., J.P. Morgan Securities LLC and Wells Fargo Securities, LLC are acting as representatives of the underwriters named below.

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

Name	Principal Amount of Notes
Deutsche Bank Securities Inc.	\$ 115,000,000
J.P. Morgan Securities LLC	115,000,000
Wells Fargo Securities, LLC	115,000,000
Credit Suisse Securities (USA) LLC	75,000,000
Goldman, Sachs & Co.	40,000,000
U.S. Bancorp Investments, Inc.	