

KAPLAN RONALD W  
Form 4  
April 05, 2011

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
KAPLAN RONALD W

(Last) (First) (Middle)

C/O TREX COMPANY, INC., 160  
EXETER DRIVE

(Street)

WINCHESTER, VA 22603-8605

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
TREX CO INC [TREX]

3. Date of Earliest Transaction  
(Month/Day/Year)  
04/01/2011

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
President and CEO

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	Amount			
Common Stock	04/01/2011		M <sup>(1)</sup>			16,173	A \$ 8.8	134,848	D
Common Stock	04/01/2011		D			4,270	D \$ 33.33	130,578	D
Common Stock	04/01/2011		F <sup>(2)</sup>			5,025	D \$ 33.33	125,553	D
Common Stock	04/01/2011		S <sup>(4)</sup>			100	D \$ 32.8	125,453	D
Common Stock	04/01/2011		S <sup>(4)</sup>			100	D \$ 32.82	125,353	D

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Common Stock	04/01/2011	<u>S<sup>(4)</sup></u>	100	D	\$ 32.84	125,253	D
Common Stock	04/01/2011	<u>S<sup>(4)</sup></u>	200	D	\$ 32.86	125,053	D
Common Stock	04/01/2011	<u>S<sup>(4)</sup></u>	100	D	\$ 32.88	124,953	D
Common Stock	04/01/2011	<u>S<sup>(4)</sup></u>	417	D	\$ 32.9	124,536	D
Common Stock	04/01/2011	<u>S<sup>(4)</sup></u>	100	D	\$ 32.93	124,436	D
Common Stock	04/01/2011	<u>S<sup>(4)</sup></u>	100	D	\$ 32.96	124,336	D
Common Stock	04/04/2011	<u>S<sup>(4)</sup></u>	1,040	D	\$ 33.16	123,296	D
Common Stock	04/04/2011	<u>S<sup>(4)</sup></u>	460	D	\$ 33.17	122,836	D
Common Stock	04/04/2011	<u>S<sup>(4)</sup></u>	17	D	\$ 33.175	122,819	D
Common Stock	04/04/2011	<u>S<sup>(4)</sup></u>	600	D	\$ 33.18	122,219	D
Common Stock	04/04/2011	<u>S<sup>(4)</sup></u>	200	D	\$ 33.185	122,019	D
Common Stock	04/04/2011	<u>S<sup>(4)</sup></u>	500	D	\$ 33.19	121,519	D
Common Stock	04/04/2011	<u>S<sup>(4)</sup></u>	100	D	\$ 33.1925	121,419	D
Common Stock	04/04/2011	<u>S<sup>(4)</sup></u>	200	D	\$ 33.2	121,219	D
Common Stock	04/04/2011	<u>S<sup>(4)</sup></u>	100	D	\$ 33.21	121,119	D
Common Stock	04/04/2011	<u>S<sup>(4)</sup></u>	483	D	\$ 33.22	120,636	D
Common Stock	04/04/2011	<u>S<sup>(4)</sup></u>	100	D	\$ 33.2325	120,536	D
Common Stock	04/04/2011	<u>S<sup>(4)</sup></u>	2,173	D	\$ 33.24	118,363	D
Common Stock	04/04/2011	<u>S<sup>(4)</sup></u>	100	D	\$ 33.245	118,263	D
Common Stock	04/04/2011	<u>S<sup>(4)</sup></u>	300	D	\$ 33.2475	117,963	D
	04/04/2011	<u>S<sup>(4)</sup></u>	200	D	\$ 33.249	117,763	D

Common  
Stock

Common Stock 04/04/2011 S<sup>(4)</sup> 305 D \$ 33.25 117,458 D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.** SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)				
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount
Stock Appreciation Right	\$ 8.8	04/01/2011		M <sup>(1)</sup>	16,173	01/07/2009 <sup>(3)</sup>	01/07/2018			Common Stock	1

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KAPLAN RONALD W C/O TREX COMPANY, INC. 160 EXETER DRIVE WINCHESTER, VA 22603-8605	X		President and CEO	

## Signatures

/s/ William R. Gupp by power of attorney 04/05/2011

\*\*Signature of Reporting Person Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 4(b)(v).
  - \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1)

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16,173 Stock Appreciation Rights (SARs) are being exercised pursuant to Rule 10b5-1 trading plan adopted by the reporting person on November 3, 2010.

- (2) 5,025 shares are being surrendered as allowed by the Company's 2005 Stock Incentive Plan to cover the payment of taxes currently due on the exercise of SARs.
- (3) The stock appreciation right becomes exercisable in three equal installments beginning on the first anniversary date of the transaction date.
- (4) The sales reported in this Form 4 were effected pursuant to Rule 10b5-1 trading plan adopted by the reporting person on November 3, 2010.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. **within the meaning of the Uniform Commercial Code; and** a clearing agency registered pursuant to the provisions of Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of securities transactions between participants through electronic book-entry changes to the accounts of its participants. Participants include securities brokers, dealers, banks, trust companies and clearing corporations and other organizations. Some of the participants or their representatives, together with other entities, own DTC. Indirect access to the DTC system is available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly.

DTC has agreed to the foregoing procedures to facilitate transfers of interests in a global note among participants. However, DTC is under no obligation to perform or continue to perform these procedures, and may discontinue these procedures at any time. If DTC is at any time unwilling or unable to continue as depository and a successor depository is not appointed by us within 90 days, we will issue notes in certificated form in exchange for global notes.

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**Registration Rights**

In connection with the initial private placement of the notes, we entered into a registration rights agreement with the initial purchaser for the benefit of the holders of the notes. Pursuant to the agreement, we agreed to, at our expense:

file with the SEC not later than the date 90 days after the earliest date of original issuance of any of the notes, a registration statement on such form as we deem appropriate covering resales by holders of all notes and the common stock issuable upon conversion of the notes;

use our reasonable efforts to cause such registration statement to become effective no later than 180 days after the earliest date of original issuance of any of the notes; and

use our reasonable efforts to keep the registration statement effective until the earliest of:

- (1) two years after the last date of original issuance of any of the notes;
- (2) the date when the holders of the notes and the common stock issuable upon conversion of the notes are able to sell all such securities immediately without restriction pursuant to the volume limitation provisions of Rule 144 under the Securities Act; and
- (3) the date when all of the notes and the common stock issuable upon conversion of the notes of those holders that complete and deliver in a timely manner the selling securityholder election and questionnaire described below are registered under the shelf registration statement and disposed of in accordance with the shelf registration statement.

We have filed this registration statement to meet our obligations under the registration rights agreement. We have mailed a notice of registration statement and selling securityholder notice and questionnaire to each holder to obtain certain information regarding the holder for inclusion in the prospectus. To be named as selling holders in this prospectus at the time of effectiveness, holders must have completed and delivered the questionnaire within 20 business days of the date of the questionnaire. Holders that did not complete and deliver this questionnaire in a timely manner were not named as selling securityholders in the prospectus and therefore are not permitted to sell any of their securities pursuant to the shelf registration statement. However,

upon request from a holder that did not return a notice and questionnaire on a timely basis, we will deliver a notice and questionnaire to such holder, and

upon receipt of a properly completed notice and questionnaire from such a holder, we shall use our reasonable efforts to add such holder to the shelf registration statement as selling securityholder by means of a pre-effective amendment or, if permitted by the SEC, by means of a prospectus supplement; provided that any such failure to file such pre-effective amendment or prospectus supplement will not result in the payment of additional interest to such holder.

In connection with the filing of the shelf registration statement, we will:

provide to each holder for whom the shelf registration statement was filed copies of the prospectus that is a part of the shelf registration statement;

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notify each such holder when the shelf registration statement has become effective; and

take certain other actions as are required to permit unrestricted resales of the notes and the common stock issuable upon conversion of the notes.

Each holder who sells securities pursuant to the shelf registration statement generally will be:

required to be named as a selling holder in the related prospectus;

required to deliver a prospectus to the purchaser;

subject to certain of the civil liability provisions under the Securities Act in connection with the holder's sales; and

bound by the provisions of the registration rights agreement which are applicable to the holder (including certain indemnification rights and obligations).

Each holder must notify us not later than five business days prior to any proposed sale by that holder pursuant to the shelf registration statement. This notice will be effective for five business days. We may suspend the holder's use of the prospectus for a period or periods not to exceed an aggregate of 45 days in any 90-day period, and not to exceed an aggregate of 90 days in any 360-day period, if:

the prospectus would, in our judgment, contain a material misstatement or omission as a result of an event that has occurred and is continuing; and

we reasonably determine that the disclosure of this material non-public information would have a material adverse effect on us and our subsidiaries taken as a whole.

If the disclosure relates to a previously undisclosed proposed or pending material business transaction, the disclosure of which would impede our ability to consummate such transaction, we may extend the suspension period from 45 days to 60 days. We need not specify the nature of the event giving rise to the suspension or extension in any notice to holders of notes of the existence of such a suspension or any extension. Each holder, by its acceptance of the notes, agrees to hold any communication by us in response to a notice of a proposed sale in confidence.

Upon the initial sale of notes or common stock issued upon conversion of the notes, each selling holder will be required to deliver a notice of such sale, in substantially the form attached as an exhibit to the indenture, to the trustee and us. The notice will, among other things:

identify the sale as a transfer pursuant to the shelf registration statement;

certify that the prospectus delivery requirements, if any, of the Securities Act have been complied with; and

certify that the selling holder and the aggregate principal amount of notes or number of shares, as the case may be, owned by such holder are identified in the related prospectus in accordance with the applicable rules and regulations under the Securities Act.

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If,

the shelf registration statement has not been filed prior to or on the 90th day following the earliest date of original issuance of any of the notes, or

the shelf registration statement has not been declared effective prior to or on the 180th day following the earliest date of original issuance of any of the notes (the effectiveness target date ); or

at any time after the effectiveness target date, the registration statement ceases to be effective or fails to be usable and (1) we do not cure the registration statement within five business days by a post-effective amendment or a report filed pursuant to the Exchange Act or (2) if applicable, we do not terminate the suspension period, described in the preceding paragraph, by the 45th or 90th day, as the case may be (or any applicable extension thereof) (each, a registration default ), then

additional interest will accrue on the notes that are registrable securities from and including the day following the registration default to but excluding the day on which the registration default has been cured. Additional interest will be paid semiannually in arrears, with the first semiannual payment due on each May 15 and November 15, and will accrue at a rate per year equal to:

0.25% of the principal amount of a note to and including the 90th day following such registration default; and

0.50% of the principal amount of a note from and after the 91st day following such registration default.

In no event will additional interest accrue at a rate per year exceeding 0.50%. If a holder has converted some or all of its notes that are registrable securities into common stock, the holder will be entitled to receive equivalent amounts based on the principal amount of the notes converted to the extent such shares are registrable securities. A holder will not be entitled to additional interest unless it has provided all information requested by the questionnaire prior to the deadline. You will not have any remedy other than to receive such additional interest if we fail to meet any of our obligations under the registration rights agreement.

**Information Concerning the Trustee**

We have appointed U.S. Bank National Association, the trustee under the indenture, as paying agent, conversion agent, note registrar and custodian for the notes. The trustee or its affiliates may provide banking and other services to us in the ordinary course of their business.

The indenture contains certain limitations on the rights of the trustee, if it or any of its affiliates is then our creditor, to obtain payment of claims in certain cases or to realize on certain property received on any claim as security or otherwise. While the trustee and its affiliates currently do not have any conflicting interest with us, the trustee and its affiliates will be permitted to engage in other transactions with us. However, if the trustee or any affiliate continues to have any conflicting interest and a default occurs with respect to the notes, the trustee must eliminate such conflict or resign.

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**DESCRIPTION OF CAPITAL STOCK**

Our authorized capital stock consists of 1,300,000,000 shares of common stock, par value \$0.01 per share, and 2,000,000 shares of preferred stock, par value \$0.01 per share.

**Common Stock**

As of August 8, 2003, there were 378,750,957 shares of our common stock outstanding. Each holder of common stock is entitled to one vote per share on all matters to be voted upon by the stockholders. Our certificate of incorporation provides that at all elections of directors, each holder of stock shall be entitled to cumulative voting. The holder may cast all of these votes for a single candidate or may distribute them among the number of directors to be elected. Holders of common stock are entitled to receive dividends declared by the board of directors, out of funds legally available for the payment of dividends subject to preferences that may be applicable to the holders of preferred stock. Upon liquidation, dissolution or winding up of our business, the holders of common stock are entitled to share equally in all assets available for distribution after payment of liabilities, subject to prior distribution rights of preferred stock. The holders of common stock have no preemptive or conversion rights or other subscription rights. No redemption or sinking fund provisions apply to the common stock.

All outstanding shares of common stock are fully paid and nonassessable.

**Preferred Stock**

As of August 8, 2003, no shares of preferred stock were issued and outstanding. The board of directors has the authority to issue the preferred stock in one or more series and to fix the following rights, preferences, privileges and restrictions of the preferred stock without further vote or action by our stockholders:

dividend rights and rates,

terms of conversion, voting rights, terms of redemption, liquidation preferences,

the number of shares constituting any series or the designation of such series.

Preferred stock could be issued quickly with terms calculated to delay or prevent a change in control and may adversely affect the voting and other rights of the holders of common stock. Except in accordance with the rights plan described below, we have no present plans to issue any shares of preferred stock.

**Preferred Shares Rights Plan**

On November 16, 1988, our board of directors authorized a dividend distribution of one share purchase right for each share of common stock outstanding as of the close of business on December 15, 1988 and each future share of common stock. The Amended and Restated Preferred Shares Rights Agreement dated November 20, 1998, as amended, between us and Equiserve Trust Company, N.A., as rights agent, provides, among other things, that after a distribution date, each right entitles the registered holder to purchase from us 1/1000 of a share of our Series A participating preferred stock, \$0.01 par value, initially at a price of \$100.00.



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The rights will expire ten years after the date of issuance, or December 15, 2008, unless earlier redeemed, and will become exercisable and transferable separately from the common stock following the tenth day after a person or group:

acquires beneficial ownership of 20% or more of our common stock,

announces a tender or exchange offer, the consummation of which would result in ownership by a person or group of 20% or more of our common stock, or

a later date after the occurrence of an event described in the two bullet points above as may be determined by a majority of directors not affiliated with the acquiring group or person.

If (a) an acquiror obtains 20% or more of our common stock, (b) an acquiring entity combines with us in a transaction in which we are the surviving company and our common stock remains outstanding and unchanged or (c) we effect or permit certain self-dealing transactions with an owner of 20% or more of our common stock or its affiliates or associates, then each right will entitle the holder to purchase, at the then-current purchase price, a number of shares of common stock having a then-current market value of twice the purchase price.

If (x) we merge into another entity, (y) an acquiring entity merges into us and our common stock is changed into or exchanged for other securities or assets or (z) we sell more than 50% of our assets or earning power, then each right will entitle the holder to purchase, at the then-current purchase price, a number of shares of common stock of the person engaging in the transaction having a then-current market value of twice the purchase price.

The Series A participating preferred purchasable upon exercise of the rights will be nonredeemable and junior to any other series of our preferred stock. Each share of Series A participating preferred will have a preferential cumulative quarterly dividend in an amount equal to 1,000 times the dividend declared on each share of common stock. In the event of liquidation, the holders of Series A participating preferred will receive a preferred liquidation payment equal to 1,000 times the aggregate amount to be distributed per share to the holders of shares of common stock plus accrued dividends. Following payment of the Series A liquidation preference, and after the holders of shares of common stock shall have received an amount per share equal to the quotient obtained by dividing the Series A liquidation preference by 1,000, the holders of Series A participating preferred and holders of common stock will share ratably and proportionately the remaining assets to be distributed in liquidation. Each share of Series A participating preferred will have 1,000 votes and will vote together with the shares of common stock. In the event of any merger, consolidation or other transaction in which shares of common stock are exchanged for or changed into other securities, cash and/or other property, each share of Series A participating preferred will be entitled to receive 1,000 times the amount and type of consideration received per share of common stock.

Although the rights should not interfere with a business combination approved by the board of directors in the manner set forth in the rights plan, they may cause substantial dilution to a person or group that attempts to acquire control without approval by the board.

**Delaware General Corporation Law Section 203**

We are a Delaware corporation subject to Section 203 of the Delaware General Corporation Law, an anti-takeover law. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a

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business combination transaction with an interested stockholder for a period of three years after the person became an interested stockholder, unless the business combination or the transaction in which the person became an interested stockholder is approved in the manner described below.

The Section 203 restrictions do not apply if:

(1) the business combination or transaction is approved by our board of directors before the date the interested stockholder obtained the status,

(2) upon consummation of the transaction which resulted in the stockholder obtaining the status, the stockholder owned at least 85% of the shares of stock entitled to vote in the election of directors, the voting stock. The 85% calculation does not include those shares:

owned by directors who are also officers of the target corporation, and

held by employee stock plans which do not permit employees to decide confidentially whether to accept a tender or exchange offer, or

(3) on or after the date the interested stockholder obtained its status, the business combination is approved by our board of directors and at a stockholder meeting by the affirmative vote of at least 66 2/3% of the outstanding voting stock which is not owned by the interested stockholder.

Generally, a business combination includes a merger, asset sale, or other transaction resulting in a financial benefit to the interested stockholder. Generally, an interested stockholder is a person who, together with affiliates and associates, owns, or within three years prior to the determination of interested stockholder status, did own, 15% or more of a corporation's voting stock. Section 203 may prohibit or delay mergers or other takeover or change in control attempts with respect to LSI Logic Corporation. As a result, Section 203 may discourage attempts to acquire us even though such transaction may offer our stockholders the opportunity to sell their stock at a price above the prevailing market price.

**Charter and Bylaw Provisions**

Our charter and bylaws include provisions that may have the effect of discouraging, delaying or preventing a change in control or an unsolicited acquisition proposal that a stockholder might consider favorable, including a proposal that might result in the payment of a premium over the market price for the shares held by stockholders as follows:

our charter provides for cumulative voting at all elections of directors,

our board has the power to establish the rights, preferences and privileges of authorized and unissued shares,

our charter limits the liability of our directors, in their capacity as directors but not in their capacity as officers, to LSI Logic Corporation or its stockholders to the fullest extent permitted by Delaware law.

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**Indemnification Arrangements**

Our bylaws provide that our directors, officers and agents shall be indemnified against expenses, including attorneys' fees, judgments, fines, settlements actually and reasonably incurred in connection with any proceeding arising out of their status as such, if such director, officer or agent acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of LSI Logic Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such conduct was unlawful.

We have entered into agreements to indemnify our directors and officers, in addition to the indemnification provided for in our Certificate of Incorporation and Bylaws. These agreements, among other things, indemnify our directors and officers for certain expenses, including attorney's fees, judgments, fines and settlement amounts incurred by any such person in any action or proceeding, including any action by or in the right of LSI, arising out of such person's services as a director or officer of LSI, any subsidiary of LSI or any other company or enterprise to which the person provides services at the request of LSI.

**Change of Control Agreements**

We have entered into certain severance agreements with each of our executive officers providing for the acceleration of unvested options held by such executive officers and the payment of certain lump sum amounts and benefits upon an involuntary termination at any time within twelve (12) months after a change of control.

A change of control is defined as

the consummation of a merger or consolidation with any other corporation, other than a merger or consolidation in which we are the surviving entity,

the approval by our stockholders of a plan of liquidation or an agreement for the sale or disposition by us of all or substantially all of our assets, and

any person becoming the beneficial owner, as defined in Rule 13d-3 under the Securities and Exchange Act of 1934, as amended, of 50% or more of our total outstanding voting securities.

Our successors shall be bound under the change of control severance agreements.

The change of control severance agreements terminate on November 20, 2003.

**Transfer Agent and Registrar**

The transfer agent and registrar for the common stock is EquiServe Trust Company, N.A.

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**UNITED STATES FEDERAL INCOME TAX CONSEQUENCES**

This section summarizes the material U.S. federal income tax considerations relating to the purchase, ownership, and disposition of the notes and of common stock into which the notes may be converted. This summary does not provide a complete analysis of all potential tax considerations. The information provided below is based on existing authorities. These authorities may change, or the Internal Revenue Service might interpret the existing authorities differently, in either case possibly with retroactive effect, in which event the tax consequences of purchasing, owning or disposing of notes or common stock could differ from those described below. The summary generally applies only to U.S. Holders that purchase notes in the initial offering at their issue price and hold the notes or common stock as capital assets (generally, for investment). For this purpose, U.S. Holders include citizens or residents of the United States, corporations organized under the laws of the United States or any state, and estates the income of which is subject to U.S. Federal income taxation regardless of source. Trusts are U.S. Holders if they are subject to the primary supervision of a U.S. court and the control of one of more U.S. persons. Special rules apply to nonresident alien individuals and foreign corporations or trusts ( Non-U.S. Holders ). This summary describes some, but not all, of these special rules. If a partnership or other flow-through entity holds a note (or common stock acquired upon conversion of a note), the tax treatment of a partner in the partnership or an owner of the entity will generally depend upon the status of the partner or other owner and the activities of the partnership or other entity. The summary generally does not address tax considerations that may be relevant to particular investors because of their specific circumstances, or because they are subject to special rules. Finally, the summary does not describe the effect of the federal estate and gift tax laws on U.S. Holders or the effects of any applicable foreign, state, or local laws.

**Investors considering the purchase of notes should consult their own tax advisors regarding the application of the U.S. federal income tax laws to their particular situations and the consequences of federal estate or gift tax laws, foreign, state, or local laws, and tax treaties.**

**U.S. Holders**

***Taxation of Interest***

U.S. Holders will be required to recognize as ordinary income any interest paid or accrued on the notes, in accordance with their regular method of accounting. In general, if the terms of a debt instrument entitle a holder to receive payments other than fixed periodic interest that exceed the issue price of the instrument, the holder may be required to recognize additional interest as original issue discount over the term of the instrument. We believe that the notes will not be issued with original issue discount. Our determination in this regard is binding on U.S. Holders unless they disclose their contrary position. If, contrary to expectations, we pay additional interest, U.S. Holders would be required to recognize additional interest income.

***Sale, Exchange or Redemption of the Notes***

A U.S. Holder will generally recognize capital gain or loss if the holder disposes of a note in a sale, redemption (including any repurchase by us upon a fundamental change) or exchange other than a conversion of the note into common stock. The holder's gain or loss will equal the difference between the proceeds received by the holder and the holder's adjusted tax basis in the note. The proceeds received by the holder will include the amount of any cash and the fair market value of any other property received for the note. The holder's tax basis in the note will generally equal the amount the holder paid for the note. The portion of any

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proceeds that is attributable to accrued interest will not be taken into account in computing the holder's capital gain or loss. Instead, that portion will be recognized as ordinary interest income to the extent that the holder has not previously included the accrued interest in income. The gain or loss recognized by a holder on a disposition of the note will be long-term capital gain or loss if the holder held the note for more than one year. Long-term capital gains of non-corporate taxpayers are taxed at lower rates than those applicable to ordinary income. The deductibility of capital losses is subject to limitation.

### ***Conversion of the Notes***

A U.S. Holder generally will not recognize any income, gain or loss on converting a note into common stock. If the holder receives cash in lieu of a fractional share of stock, however, the holder would be treated as if he received the fractional share and then had the fractional share redeemed for the cash. The holder would recognize gain or loss equal to the difference between the cash received and that portion of his basis in the stock attributable to the fractional share. The holder's aggregate basis in the common stock (including any fractional share for which cash is paid) will equal his adjusted basis in the note. The holder's holding period for the stock will include the period during which he held the note.

### ***Dividends***

If, after a U.S. Holder converts a note into common stock, we make a distribution in respect of that stock, the distribution will be treated as a dividend, taxable to the U.S. Holder as ordinary income, to the extent it is paid from our current or accumulated earnings and profits. If the distribution exceeds our current and accumulated profits, the excess will be treated first as a tax-free return of the holder's investment, up to the holder's basis in its common stock. Any remaining excess will be treated as capital gain. If the U.S. Holder is a U.S. corporation, it will generally be able to claim a deduction equal to a portion of any dividends received.

The terms of the notes allow for changes in the conversion rate of the notes in certain circumstances. A change in conversion rate that allows noteholders to receive more shares of common stock on conversion may increase the noteholders' proportionate interests in our earnings and profits or assets. In that case, the noteholders would be treated as though they received a dividend in the form of our stock. Such a constructive stock dividend could be taxable to the noteholders, although they would not actually receive any cash or other property. A taxable constructive stock dividend would result, for example, if the conversion rate is adjusted to compensate noteholders for distributions of cash or property to our shareholders. Not all changes in conversion rate that allow noteholders to receive more stock on conversion, however, increase the noteholders' proportionate interests in the company. For instance, a change in conversion rate could simply prevent the dilution of the noteholders' interests upon a stock split or other change in capital structure. Changes of this type, if made by a bona fide, reasonable adjustment formula, are not treated as constructive stock dividends. Conversely, if an event occurs that dilutes the noteholders' interests and the conversion rate is not adjusted, the resulting increase in the proportionate interests of our shareholders could be treated as a taxable stock dividend to them. Any taxable constructive stock dividends resulting from a change to, or failure to change, the conversion rate would be treated like dividends paid in cash or other property. They would result in ordinary income to the recipient, to the extent of our current or accumulated earnings and profits, with any excess treated as a tax-free return of capital or as capital gain.

### ***Sale of Common Stock***

A U.S. Holder will generally recognize capital gain or loss on a sale or exchange of common stock. The holder's gain or loss will equal the difference between the proceeds received by the holder and the holder's

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adjusted tax basis in the stock. The proceeds received by the holder will include the amount of any cash and the fair market value of any other property received for the stock. The gain or loss recognized by a holder on a sale or exchange of stock will be long-term capital gain or loss if the holder held the stock for more than one year.

**Special Tax Rules Applicable to Non-U.S. Holders**

***Taxation of Interest***

Payments of interest to nonresident persons or entities are generally subject to U.S. federal income tax at a rate of 30 percent, collected by means of withholding by the payor. Payments of interest on the notes to most Non-U.S. Holders, however, will qualify as portfolio interest, and thus will be exempt from the withholding tax, if the holders certify their nonresident status as described below. The portfolio interest exception will not apply to payments of interest to a Non-U.S. Holder that

owns, directly or indirectly, at least 10 percent of our voting stock, or

is a controlled foreign corporation that is related to us.

In general, a foreign corporation is a controlled foreign corporation if more than 50 percent of its stock is owned, directly or indirectly, by one or more U.S. persons that each owns, directly or indirectly, at least 10 percent of the corporation's voting stock. Even if the portfolio interest exception does not apply, payments of interest to a Non-U.S. holder may not be subject to withholding tax at a 30 percent rate, or may be subject to withholding tax at a reduced rate, under the terms of a tax treaty between the United States and the Non-U.S. holder's country of residence.

The portfolio interest exception, entitlement to treaty benefits and several of the special rules for Non-U.S. Holders described below apply only if the holder certifies its nonresident status. A Non-U.S. Holder can meet this certification requirement by providing a Form W-8BEN or appropriate substitute form under penalties of perjury to us or our paying agent. If the holder holds the note through a financial institution or other agent acting on the holder's behalf, the holder will be required to provide appropriate documentation to the agent. The holder's agent will then be required to provide certification to us or our paying agent, either directly or through other intermediaries. For payments made to a foreign partnership or other flow-through entity, the certification requirements generally apply to the partners or other owners rather than to the partnership or other entity, and the partnership or other entity must provide the partners' or other owners' documentation to us or our paying agent.

***Sale, Exchange or Redemption of Notes***

Non-U.S. Holders generally will not be subject to U.S. federal income tax on any gain realized on the sale, exchange, or other disposition of notes. This general rule, however, is subject to several exceptions. For example, the gain would be subject to U.S. federal income tax if:

the gain is effectively connected with the conduct by the Non-U.S. Holder of a U.S. trade or business,

the Non-U.S. Holder was a citizen or resident of the United States and thus is subject to special rules that apply to expatriates, or

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the rules of the Foreign Investment in Real Property Tax Act ( FIRPTA ) (described below) treat the gain as effectively connected with a U.S. trade or business.

The FIRPTA rules may apply to a sale, exchange or other disposition of notes if we are, or were within five years before the transaction, a U.S. real property holding corporation ( USRPHC ). In general, we would be a USRPHC if interests in U.S. real estate comprised most of our assets. We do not believe that we are a USRPHC or that we will become one in the future.

***Conversion of the Notes***

A Non-U.S. Holder generally will not recognize any income, gain or loss on converting a note into common stock. Any gain recognized as a result of the holder's receipt of cash in lieu of a fractional share of stock would also generally not be subject to U.S. federal income tax. See Special Tax Rules Applicable to Non-U.S. Holders Sale of Common Stock, below.

***Dividends***

Dividends paid to a Non-U.S. Holder on common stock received on conversion of a note will generally be subject to U.S. withholding tax at a 30 percent rate. Constructive dividends resulting from a change, or failure to change, the conversion price of notes would probably also be subject to withholding tax. The withholding tax might not apply, however, or might apply at a reduced rate, under the terms of a tax treaty between the United States and the Non-U.S. Holder's country of residence. A Non-U.S. Holder must demonstrate its entitlement to treaty benefits by certifying its nonresident status. Some of the common means of meeting this requirement are described above under Special Tax Rules Applicable to Non-U.S. Holders Taxation of Interest.

***Sale of Common Stock***

Non-U.S. Holders will generally not be subject to U.S. federal income tax on any gains realized on the sale, exchange, or other disposition of common stock. This general rule, however, is subject to exceptions, some of which are described under Special Tax Rules Applicable to Non-U.S. Holders Sale, Exchange or Redemption of Notes.

***Income or Gains Effectively Connected With a U.S. Trade or Business***

The preceding discussion of the tax consequences of the purchase, ownership or disposition of notes or common stock by a Non-U.S. Holder assumes that the holder is not engaged in a U.S. trade or business. If any interest on the notes, dividends on common stock, or gain from the sale, exchange or other disposition of the notes or stock is effectively connected with a U.S. trade or business conducted by the Non-U.S. Holder, then the income or gain will be subject to U.S. federal income tax at the regular graduated rates. If the Non- U.S. Holder is eligible for the benefits of a tax treaty between the United States and the holder's country of residence, any effectively connected income or gain will be subject to U.S. federal income tax only if it is also attributable to a permanent establishment maintained by the holder in the United States. Payments of interest or dividends that are effectively connected with a U.S. trade or business, and therefore included in the gross income of a Non-U.S. Holder, will not be subject to the 30 percent withholding tax. To claim exemption from withholding, the holder must certify its qualification, which can be done by filing a Form W-8ECI. If the Non-U.S. Holder is a corporation, that portion of its earnings and profits that is effectively connected with its

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U.S. trade or business would generally be subject to a branch profits tax. The branch profits tax rate is generally 30 percent, although an applicable tax treaty might provide for a lower rate.

***U.S. Federal Estate Tax***

The estates of nonresident alien individuals are subject to U.S. federal estate tax on property with a U.S. situs. The notes will not be U.S. situs property as long as interest on the notes paid immediately before the death of the holder would have qualified as portfolio interest, exempt from withholding tax as described above under Special Tax Rules Applicable to Non-U.S. Holders Taxation of Interest. Because we are a U.S. corporation, our common stock will be U.S. situs property, and therefore will be included in the taxable estate of a nonresident alien decedent. The U.S. federal estate tax liability of the estate of a nonresident alien may be affected by a tax treaty between the United States and the decedent's country of residence.

***Backup Withholding and Information Reporting***

The Code and the Treasury regulations require those who make specified payments to report the payments to the IRS. Among the specified payments are interest, dividends, and proceeds paid by brokers to their customers. The required information returns enable the IRS to determine whether the recipient properly included the payments in income. This reporting regime is reinforced by backup withholding rules. These rules require the payors to withhold tax from payments subject to information reporting if the recipient fails to cooperate with the reporting regime by failing to provide his taxpayer identification number to the payor, furnishing an incorrect identification number, or repeatedly failing to report interest or dividends on his returns. The withholding tax rate is currently 30.5 percent but will be reduced in stages, down to 28 percent at the beginning of 2006. The information reporting and backup withholding rules do not apply to payments to corporations, whether domestic or foreign.

Payments of interest or dividends to individual U.S. Holders of notes or common stock will generally be subject to information reporting, and will be subject to backup withholding unless the holder provides us or our paying agent with a correct taxpayer identification number and complies with certain certification procedures.

The information reporting and backup withholding rules do not apply to payments that are subject to the 30 percent withholding tax on dividends or interest paid to nonresidents, or to payments that are exempt from that tax by application of a tax treaty or special exception. Therefore, payments to Non-U.S. Holders of dividends on common stock, or interest on notes, will generally not be subject to information reporting or backup withholding. To avoid backup withholding, a Non-U.S. Holder will have to certify its nonresident status. Some of the common means of doing so are described under Special Rules Applicable to Non-U.S. Holders Taxation of Interest.

Payments made to U.S. Holders by a broker upon a sale of notes or common stock will generally be subject to information reporting and backup withholding. If the sale is made through a foreign office of a foreign broker, the sale will generally not be subject to either information reporting or backup withholding. This exception may not apply, however, if the foreign broker is owned or controlled by U.S. persons, or is engaged in a U.S. trade or business.

Payments made to Non-U.S. Holders by a broker upon a sale of notes or common stock will not be subject to information reporting or backup withholding as long as the Non-U.S. Holder certifies its foreign status.



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Any amounts withheld from a payment to a holder of notes or common stock under the backup withholding rules can be credited against any U.S. federal income tax liability of the holder provided the required information is furnished to the IRS.

The preceding discussion of U.S. federal income tax considerations is for general information only. It is not tax advice. Each prospective investor should consult its own tax advisor regarding the particular U.S. federal, state, local, and foreign tax consequences of purchasing, holding, and disposing of our notes or common stock, including the consequences of any proposed change in applicable laws.

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We originally issued the notes in a private placement to the initial purchaser, Morgan Stanley & Co. Incorporated, in May 2003. The initial purchaser resold the notes to purchasers, including the selling securityholders listed below, in transactions exempt from registration pursuant to Rule 144A. Selling securityholders may offer and sell the notes and the underlying common stock pursuant to this prospectus.

The following table contains information as of November 6, 2003 with respect to the selling securityholders and the principal amount of notes and the underlying common stock beneficially owned by each selling securityholder that may be offered using this prospectus.

Name	Principal Amount at Maturity of Notes Beneficially Owned That May Be Sold	Percentage of Notes Outstanding	Number of Shares of Common Stock That May Be Sold(1)	Percentage of Common Stock Outstanding(2)
Akela Capital Master Fund, Ltd. (3)	\$ 10,000,000	2.9%	745,156	*
American AAdvantage Funds (4)	\$ 228,000	*	16,989	*
American Skandia Trust (5)	\$ 1,500,000	*	111,773	*
Argent Classic Convertible Arbitrage Fund II, L.P. (23)	\$ 700,000	*	52,160	*
Argent Classic Convertible Arbitrage Fund (Bermuda) Ltd. (20)	\$ 6,100,000	1.7%	454,545	*
Argent Classic Convertible Arbitrage Fund LP (23)	\$ 2,300,000	*	171,385	*
Argent LowLev Convertible Arbitrage Fund Ltd. (23)	\$ 7,400,000	2.1%	551,415	*
Argent LowLev Convertible Arbitrage Fund, LLC (23)	\$ 2,300,000	*	171,385	*
Arkansas PERS (32)	\$ 785,000	*	58,494	*
Associated Electric & Gas Insurance Services Limited (4)	\$ 700,000	*	52,160	*
Astrazeneca Holdings Trust (32)	\$ 355,000	*	26,453	*
Aventis Pension Master Trust (4)	\$ 255,000	*	19,001	*
Boilermaker-Blacksmith Pension Trust (4)	\$ 2,105,000	*	156,855	*
Boilermakers Blacksmith Pension Trust (32)	\$ 825,000	*	61,475	*
CALAMOS Convertible Fund CALAMOS Investment Trust (4)	\$ 12,475,000	3.6%	929,528	*
CALAMOS Convertible Growth and Income Fund CALAMOS Investment Trust (4)	\$ 23,000,000	6.6%	1,713,858	*
CALAMOS Convertible Portfolio CALAMOS Advisors Trust (4)	\$ 185,000	*	13,785	*
The California Wellness Foundation (4)	\$ 289,000	*	21,535	*
Castle Convertible Fund, Inc.	\$ 409,000	*	30,476	*
CEMEX Pension Plan (4)	\$ 130,000	*	9,687	*
City of Knoxville Pension System (4)	\$ 285,000	*	21,236	*
The Cockerell Foundation (4)	\$ 70,000	*	5,216	*
Context Convertible Arbitrage Fund, LP (25)	\$ 1,875,000	*	139,716	*
Context Convertible Arbitrage Offshore Ltd. (25)	\$ 3,125,000	*	232,861	*
CNH CA Master Account, L.P. (31)	\$ 1,000,000	*	74,516	*
Convertible Securities Fund (6)	\$ 80,000	*	5,961	*
DBAG London (26)	\$ 2,200,000	*	163,934	*
DB Equity Opportunities Master Portfolio Ltd (30)	\$ 3,000,000	*	223,546	*
DEAM Convertible Arbitrage (30)	\$ 1,500,000	*	111,773	*
Delta Airlines Master Trust (21)	\$ 1,535,000	*	114,381	*
Delta Pilots Disability and Survivorship Trust (4)	\$ 400,000	*	29,806	*
Deutsche Bank Securities Inc (27)	\$ 5,400,000	1.5%	402,384	*
Dorinco Reinsurance Company (4)	\$ 770,000	*	57,377	*
The Dow Chemical Company Employees Retirement Plan (4)	\$ 2,540,000	*	189,269	*
Duke Endowment (32)	\$ 160,000	*	11,922	*

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The Fondren Foundation (4)	\$ 220,000	*	16,393	*
Fuji US Income Open (5)	\$ 2,000,000	*	149,031	*
Gaia Offshore Master Fund Ltd.(34)	\$ 3,200,000	*	238,449	*
Geode U.S. Convertible Arbitrage Fund, a series of Geode Investors, LLC(35)	\$ 4,000,000	1.1%	298,062	*
Goldman Sachs & Co. Profit Sharing Master Trust (7)	\$ 171,000	*	12,742	*
HFR TQA Master Trust c/o TQA Investors, LLC (9)	\$ 334,000	*	24,888	*
ICI American Holdings Trust (32)	\$ 215,000	*	16,020	*
Jefferies & Co Inc	\$ 2,000,000	*	149,031	*
JMG Capital Partners LP (28)	\$14,000,000	4.0%	1,043,218	*
JMG Triton Offshore Fund, LTD (29)	\$14,000,000	4.0%	1,043,218	*
KBC Financial Products [Cayman Islands] Ltd. (8)	\$ 5,350,000	1.5%	398,658	*
Kettering Medical Center Funded Depreciation Account (4)	\$ 90,000	*	6,706	*
Knoxville Utilities Board Retirement System (4)	\$ 198,000	*	14,754	*
LDG Limited (9)	\$ 860,000	*	64,083	*
Lehman Brothers Inc. (10)	\$ 2,600,000	*	193,740	*
Lexington Vantage Fund c/o TQA Investors, LLC (9)	\$ 79,000	*	5,886	*
Lord Abbett Bond Debenture Fund (5)	\$20,000,000	5.7%	1,490,312	*
Lord Abbett Series Fund America s Value Portfolio (5)	\$ 20,000	*	1,490	*
Lord Abbett Investment Trust LA Convertible Fund (5)	\$ 170,000	*	12,667	*

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Name	Principal Amount at Maturity of Notes Beneficially Owned That May Be Sold	Percentage of Notes Outstanding	Number of Shares of Common Stock That May Be Sold(1)	Percentage of Common Stock Outstanding(2)
Lord Abbett America's Value Fund (5)	\$ 350,000	*	26,080	*
Lord Abbett Series Fund - Bond Debenture Portfolio (5)	\$ 500,000	*	37,257	*
Louisiana CCRF (32)	\$ 170,000	*	12,667	*
Louisiana Workers' Compensation Corporation (4)	\$ 350,000	*	26,080	*
Lyxor/Gaia II Fund(34)	\$ 700,000	*	52,160	*
Lyxor Master Fund (23)	\$ 1,000,000	*	74,515	*
MSD TCB, LP (22)	\$ 10,000,000	2.9%	745,156	*
Macomb County Employees' Retirement System (4)	\$ 445,000	*	33,159	*
Met Investor Series Trust - America's Value (5)	\$ 50,000	*	3,725	*
Met Investor Series Trust - Bond Debenture (5)	\$ 4,000,000	1.1%	298,062	*
Mill River Master Fund L.P. (19)	\$ 1,000,000	*	74,515	*
Nations Convertible Securities Fund (5)	\$ 7,920,000	2.3%	590,163	*
OZ Convertible Master Fund, Ltd. (11)	\$ 617,000	*	45,976	*
OZ MAC 13 Ltd.(11)	\$ 195,000	*	14,530	*
OZ Master Fund, Ltd.(11)	\$ 9,017,000	2.6%	671,907	*
Oppenheimer Convertible Securities Fund(12)	\$ 6,000,000	1.7%	447,093	*
Pacific Life Insurance Company (13)	\$ 1,500,000	*	111,773	*
Phoenix/Lord Abett Bond Debenture Fund (5)	\$ 100,000	*	7,451	*
Pioneer U.S. High Yield Corp. Bond Sub Fund(14)	\$ 5,000,000	1.4%	372,578	*
Pioneer High Yield Fund(14)	\$ 35,600,000	10.2%	2,652,755	*
Port Authority of Allegheny County Retirement and Disability Allowance Plan for the Employees Represented by Local 85 of the Amalgamated Transit Union(4)	\$ 610,000	*	45,454	*
Prisma Foundation(4)	\$ 43,000	*	3,204	*
Quattro Fund Ltd.(36)	\$ 3,600,000	1.0%	268,256	*
Ram Trading LTD(38)	\$ 9,500,000	2.7%	707,898	*
Roszel/Lord Abett Bond Debenture Portfolio (5)	\$ 100,000	*	7,451	*
S.A.C. Capital Associates, LLC(15)	\$ 2,000,000	*	149,031	*
SCI Endowment Care Common Trust Fund - First Union(4)	\$ 35,000	*	2,608	*
SCI Endowment Care Common Trust Fund - National Fiduciary Services(4)	\$ 158,000	*	11,773	*
SCI Endowment Care Common Trust Fund - Suntrust(4)	\$ 81,000	*	6,035	*
Sagamore Hill Hub Fund Ltd.(16)	\$ 7,000,000	2.0%	521,609	*
Salomon Brothers Asset Management, Inc.	\$ 10,000,000	2.9%	745,156	*
SEI Private Trust Company (4)	\$ 438,000	*	32,637	*
Silverback Master, LTD(17)	\$ 42,000,000	12.0%	3,129,655	*
Sphinx Fund c/o TQA Investors, LLC(9)	\$ 234,000	*	17,436	*
SPT(4)	\$ 800,000	*	59,612	*
Syngeta AG (32)	\$ 245,000	*	18,256	*
Teachers Insurance and Annuity Association of America (33)	\$ 12,000,000	3.4%	894,187	*
TQA Master Fund, Ltd.(9)	\$ 8,116,000	2.3%	604,768	*
TQA Master Plus Fund, Ltd.(9)	\$ 9,145,000	2.6%	681,445	*
UBS Securities LLC (18)	\$ 3,000,000	*	223,546	*
UBS O'Connor LLC F/B/O O'Connor Global Convertible Arbitrage Master Ltd.(37)	\$ 5,750,000	1.6%	428,464	*
Union Carbide Retirement Account(4)	\$ 1,190,000	*	88,673	*
United Food and Commercial Workers Local 1262 and Employers Pension Fund(4)	\$ 608,000	*	45,305	*
Univar USA Inc. Retirement Plan(4)	\$ 465,000	*	34,649	*
US Bancorp Piper Jaffray(18)	\$ 8,000,000	2.3%	596,125	*

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Xavex Convertible Arbitrage 7 Fund c/o TQA Investors, LLC(9)	\$ 1,108,000	*	82,563	*
Xavex Convertible Arbitrage 2 Fund (23)	\$ 400,000	*	29,806	*
Xavex Convertible Arbitrage 10 Fund (23)	\$ 700,000	*	52,160	*
Zurich Institutional Benchmark Management c/o Quattro Fund Ltd.(36)	\$ 900,000	*	67,064	*
Zurich Institutional Benchmark Master Fund LTD (23)	\$ 700,000	*	52,161	*
Zurich Institutional Benchmarks Master Fund LTD c/o TQA Investors, LLC(9)	\$ 1,124,000	*	83,755	*

- (1) Assumes conversion of all of the holder's notes at a conversion rate of 74.5156 shares per \$1,000 principal amount of the notes (representing an initial conversion price of approximately \$13.42 per share of common stock). However, this conversion price will be subject to adjustment as described under Description of Notes Conversion of Notes. As a result, the amount of common stock issuable upon conversion of the notes may increase or decrease in the future.
- (2) Calculated based on Rule 13d-3(d)(i) of the Exchange Act using 378,750,957 shares of common stock outstanding as of August 8, 2003. In calculating this amount, we treated as outstanding the number of shares of common stock issuable upon conversion of all of that particular holder's notes. However, we did not assume the conversion of any other holder's notes.
- (3) Anthony B. Bosco has voting or investment power over these securities.

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- (4) Nick Calamos has voting or investment power over these securities.
- (5) The Lord Abbett Convertible Management Team has voting or investment power over these securities.
- (6) Ed L. Cassens and Yanfang C. Yan have voting or investment power over these securities.
- (7) This securityholder is an affiliate of a registered broker-dealer. Dan S. Och has voting or investment power over these securities.
- (8) This securityholder is an affiliate of the registered broker-dealer KBC Financial Products USA Inc. Mr. Ivan Behder, Managing Director, has voting or investment power over these securities.
- (9) Robert Butman, John Idone, George Esser, Paul Bucci and Bart Tesoriero have voting or investment power over these securities.
- (10) This selling securityholder is a registered broker-dealer. This securityholder acted as underwriter in a previous issuance of the Company's securities.
- (11) Dan S. Och has voting or investment power over these securities.
- (12) This securityholder is an affiliate of the registered broker-dealer Oppenheimer Funds Distributor Inc.
- (13) Elaine Havens, Rex Olson, Simon Lee and Larry Card have voting or investment power over these securities.
- (14) This securityholder is an affiliate of the registered broker-dealer Pioneer Funds Distributor, Inc.
- (15) Mr. Steven A. Cohen has voting or investment power over these securities.
- (16) S. Scott Roth, Partner and Managing Director, has voting or investment power over these securities.
- (17) Elliot Bossen has voting or investment power over these securities.
- (18) This selling securityholder is a registered broker-dealer.
- (19) This securityholder is an affiliate of the registered broker-dealers MML Distributors, LLC, MML Investors Services, Inc., Oppenheimer Funds Distributor, Inc., Centennial Asset Management Corporation and Babson Securities Corporation.
- (20) Henry Cox and Thomas Marshall have voting or investment power over these securities.
- (21) Nick Calamos has voting or investment power over \$1,160,000 of these securities. Ann Houlihan has voting or investment power over \$375,000 of these securities.
- (22) Glenn Fuhrman and John Phelan have voting or investment power over these securities.
- (23) Bruce McMahan, Saul Schwartzman and John Gordon have voting or investment power over these securities.
- (24) Eric Grant has voting or investment power over these securities.
- (25) Michael Rosen has voting or investment power over these securities.
- (26) Dan Azzy has voting or investment power over these securities.
- (27) Mike Gunner has voting or investment power over these securities.
- (28) JMG Capital Partners, L.P. is a California limited partnership. Its general partner is JMG Capital Management, LLC, a Delaware limited liability company and an investment adviser registered with the SEC. JMG Capital Management, LLC has voting and dispositive power over JMG Partners' investments, including the notes and the underlying common stock. The equity interests of JMG Capital Management, LLC are owned by JMG Capital Management, Inc., a Delaware corporation, and Asset Alliance Holding Corp., a Delaware corporation. Jonathan M. Glaser is the Executive Officer and Director of JMG Capital Management, Inc. and has sole investment discretion over JMG Partners' portfolio holdings.
- (29)

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JMG Triton Offshore Fund, Ltd. is an international business company under the laws of the British Virgin Islands. The Fund's investment manager is Pacific Assets Management LLC, a Delaware limited liability company. Pacific Assets Management is an investment adviser registered with the SEC and has voting and dispositive power over the Fund's investments, including the notes and the underlying common stock. The equity interests of Pacific Assets Management are owned by Pacific Capital Management, Inc., a Delaware company and Asset Alliance Holding Corp., a Delaware Company. The equity interests of Pacific Capital Management are owned by Messrs. Roger Richter, Jonathan M. Glaser and Daniel A. David and Messrs. Glaser and Richter have sole investment discretion over the Fund's portfolio holdings.

- (30) Eric Lobben has voting or investment power over these securities.
- (31) CNH Partners, LLC has voting or investment power over these securities. The investment principals for CNH Partners, LLC are Robert Krail, Mark Mitchell and Todd Pulvino.
- (32) Ann Houlihan has voting or investment power over these securities.
- (33) Edward L. Toy has voting or investment power over these securities.
- (34) Promethean Asset Management, LLC, a New York limited liability company, serves as investment manager to Gaia Offshore Master Fund, Ltd. ( Gaia ) and the trading advisor for Lyxor/Gaia II Fund Ltd. ( Lyxor ) and may be deemed to share beneficial ownership of the shares beneficially owned by Gaia and Lyxor. The ownership information for each of these two selling shareholders does not include the ownership information for the other. Promethean disclaims beneficial ownership of the shares beneficially owned by Gaia and Lyxor, and each of Gaia and Lyxor disclaims beneficial ownership of the shares beneficially owned by the other. James F. O'Brien, Jr. indirectly controls Promethean. Mr. O'Brien disclaims beneficial ownership of the shares beneficially owned by Promethean, Gaia and Lyxor.
- (35) Because Geode Investors, LLC is a Delaware limited liability company, no individual or group has voting or investment power over these securities.
- (36) Brian Swain has voting or investment power over these securities.
- (37) Because this selling securityholder is a wholly-owned subsidiary of UBS AG, a Switzerland corporation, no individual or group has voting or investment power over these securities.
- (38) Because Ram Trading LTD is a Cayman Islands corporation, no individual or group has voting or investment power over these securities.

We prepared this table based on the information supplied to us by the selling securityholders named in the table. Information about other selling security holders will be set forth in prospectus supplements or post-effective amendments, if required.

The selling securityholders listed in the above table may have sold or transferred, in transactions exempt from the registration requirements of the Securities Act of 1933, some or all of their notes since the date on which the information in the above table is presented. Information about the selling securityholders may change from over time. Any changed information with respect to which we are given notice will be set forth in prospectus supplements.

Beneficial ownership is determined under the rules of the SEC, and generally includes voting or investment power with respect to securities. Except as otherwise indicated above, to our knowledge, the persons and entities named in the selling security holder table have sole voting and sole investment power with respect to all securities which they beneficially own.

None of the selling security holders who are affiliates of broker-dealers purchased the securities outside of the ordinary course of business or, at the time of the purchase of the securities, had any agreements or understandings, directly or indirectly, with any person to distribute the securities.

Because the selling securityholders may offer all or some of their notes or the underlying common stock from time to time, we cannot estimate the amount of the notes or underlying common stock that will be held by the selling securityholders upon the termination of any particular offering. See the section entitled "Plan of Distribution" for further information.

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**PLAN OF DISTRIBUTION**

We will not receive any of the proceeds of the sale of the notes and the underlying common stock offered by this prospectus. The notes and the underlying common stock may be sold from time to time to purchasers:

directly by the selling securityholders;

through underwriters, broker-dealers or agents who may receive compensation in the form of discounts, concessions or commissions from the selling securityholders or the purchasers of the notes and the underlying common stock.

The selling securityholders and any such broker-dealers or agents who participate in the distribution of the notes and the underlying common stock may be deemed to be underwriters. As a result, any profits on the sale of the notes and underlying common stock by selling securityholders and any discounts, commissions or concessions received by any such broker-dealers or agents might be deemed to be underwriting discounts and commissions under the Securities Act. If the selling securityholders are deemed to be underwriters, the selling securityholders may be subject to certain statutory liabilities of, including, but not limited to, Sections 11, 12 and 17 of the Securities Act and Rule 10b-5 under the Exchange Act.

If the notes and underlying common stock are sold through underwriters or broker-dealers, the selling securityholders will be responsible for underwriting discounts or commissions or agent's commissions.

The notes and underlying common stock may be sold in one or more transactions at:

fixed prices;

prevailing market prices at the time of sale;

varying prices determined at the time of sale; or

negotiated prices.

These sales may be effected in transactions:

on any national securities exchange or quotation service on which the notes and underlying common stock may be listed or quoted at the time of the sale, including the Nasdaq National Market in the case of the common stock;

in the over-the-counter market;

in transactions otherwise than on such exchanges or services or in the over-the-counter market; or

through the writing of options.

These transactions may include block transactions or crosses. Crosses are transactions in which the same broker acts as an agent on both sides of the trade.



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In connection with sales of the notes and underlying common stock or otherwise, the selling securityholders may enter into hedging transactions with broker-dealers. These broker-dealers may in turn engage in short sales of the notes and underlying common stock in the course of hedging their positions. The selling securityholders may also sell the notes and underlying common stock short and deliver notes and underlying common stock to close out short positions, or loan or pledge notes and underlying common stock to broker-dealers that in turn may sell the notes and underlying common stock.

To our knowledge, there are currently no plans, arrangement or understandings between any selling securityholders and any underwriter, broker-dealer or agent regarding the sale of the notes and the underlying common stock by the selling securityholders. Selling securityholders may sell any or all of the notes and the underlying common stock offered by them pursuant to this prospectus. In addition, we cannot assure you that any such selling securityholder will not transfer, devise or gift the notes and the underlying common stock by other means not described in this prospectus.

Our common stock is listed on the New York Stock Exchange Composite Tape under the symbol LSI. We do not intend to apply for listing of the notes on any securities exchange or for quotation through the New York Stock Exchange. Accordingly, we cannot assure you that the notes will be liquid or that any trading market for the notes will develop.

There can be no assurance that any selling securityholder will sell any or all of the notes or underlying common stock pursuant to this prospectus. In addition, any notes or underlying common stock covered by this prospectus that qualify for sale pursuant to Rule 144 or Rule 144A of the Securities Act may be sold under Rule 144 or Rule 144A rather than pursuant to this prospectus.

The selling securityholders and any other person participating in such distribution will be subject to the Exchange Act. The Exchange Act rules include, without limitation, Regulation M, which may limit the timing of purchases and sales of any of the notes and the underlying common stock by the selling securityholders and any other such person. In addition, Regulation M of the Exchange Act may restrict the ability of any person engaged in the distribution of the notes and the underlying common stock to engage in market-making activities with respect to the particular notes and the underlying common stock being distributed for a period of up to five business days prior to the commencement of such distribution. This may affect the marketability of the notes and the underlying common stock and the ability of any person or entity to engage in market-making activities with respect to the notes and the underlying common stock.

Any selling securityholder who is a broker-dealer will be deemed to be an underwriter within the meaning of Section 2(11) of the Securities Act. To our knowledge, Lehman Brothers, Inc., UBS Securities LLC and US Bancorp Piper Jaffray are the only selling securityholders who are registered broker-dealers and, as such, they are underwriters of the notes and the underlying common stock within the meaning of the Securities Act. Other than the performance of investment banking, advisory and other commercial services for us in the ordinary course of business, we do not have a material relationship with any of these broker-dealers and none of these broker-dealers has the right to designate or nominate a member or members of or board directors. These securityholders purchased their notes in the open market, not directly from us, and we are not aware of any underwriting plan or agreement, underwriters' or dealers' compensation, or passive market-making or stabilizing transactions involving the purchase or distribution of these securities by these securityholders. To our knowledge, none of the selling securityholders who are affiliates of broker-dealers purchased the notes outside of the ordinary course of business or, at the time of the purchase of the notes, had any agreement or understanding, directly or indirectly, with any person to distribute the securities.

Pursuant to the registration rights agreement filed as an exhibit to this registration statement, we and the selling securityholders will be indemnified by the other against certain liabilities, including certain liabilities under the Securities Act or will be entitled to contribution in connection with these liabilities.

We have agreed to pay substantially all of the expenses incidental to the registration, offering and sale of the notes and underlying common stock to the public other than commissions, fees and discounts of underwriters, brokers, dealers and agents.

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**LEGAL MATTERS**

The validity of the securities offered by this prospectus has been passed upon us by Wilson Sonsini Goodrich & Rosati, Professional Corporation, Palo Alto, California.

**EXPERTS**

The financial statements incorporated in this prospectus by reference to LSI Logic's Annual Report on Form 10-K for the year ended December 31, 2002 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, independent accountants, given on the authority of said firm as experts in auditing and accounting.

**WHERE YOU CAN FIND MORE INFORMATION**

We file reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"), in accordance with the Securities Exchange Act of 1934 (the "Exchange Act"). You may read and copy our reports, proxy statements and other information filed by us at the public reference facilities of the Commission at Room 1024, Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such materials can be obtained at prescribed rates from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549. Please call the Commission at 1-800-SEC-0330 for further information about the public reference rooms. Our reports, proxy statements and other information filed with the Commission are available to the public over the Internet at the Commission's World Wide Web site at <http://www.sec.gov>.

The Commission allows us to incorporate by reference into this prospectus the information we filed with the Commission. This means that we can disclose important information by referring you to those documents. The information incorporated by reference is considered to be a part of this prospectus. Information that we file later with the Commission will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings made by us with the Commission under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act until our offering is complete:

Our Annual Report on Form 10-K filed on March 21, 2003 for the fiscal year ended December 31, 2002.

Our Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2003 and June 30, 2003.

Our Current Reports on Form 8-K, filed May 13, 2003 and August 19, 2003.

The description of the common stock in our Registration Statement on Form 8-A filed on August 29, 1989, under Section 12(g) of the Exchange Act.

The description of our Amended and Restated Preferred Shares Rights Agreement in our Registration Statement on Form 8-A-12G/A filed on December 8, 1998, under Section 12(g) of the Exchange Act.

You may request a copy of these filings, at no cost, by writing or telephoning us at the following address:

Investor Relations  
LSI Logic Corporation  
1621 Barber Lane  
Milpitas, California 95035  
(408) 433-6777

You should rely only on the information incorporated by reference or provided in this prospectus. We have not authorized anyone else to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume the information in this prospectus is accurate as of any date other than the date on the front of this prospectus.

**Table of Contents****PART II****INFORMATION NOT REQUIRED IN THE PROSPECTUS****Item 14. Other Expenses of Issuance and Distribution**

The aggregate estimated (other than the registration fee) expenses to be paid by the Registrant in connection with this offering are as follows:

Securities and Exchange Commission registration fee	\$ 28,315
Trustee s fees and expenses	15,000
Accounting fees and expenses	100,000
Printing and engraving	100,000
Legal fees and expenses	250,000
Miscellaneous	32,000
	<hr/>
Total	\$525,315
	<hr/>

**Item 15. Indemnification of Directors and Officers of LSI***Certificate of Incorporation*

Article 10 of our Certificate of Incorporation provides that, to the fullest extent permitted by Delaware law, as the same now exists or may hereafter be amended, a director shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. Delaware law provides that directors of a corporation will not be personally liable for monetary damages for breach of their fiduciary duties as directors, except for liability:

for any breach of their duty of loyalty to the corporation or its stockholders,

for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law,

for unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law, or

for any transaction from which the director derived an improper personal benefit.

*Bylaws**Indemnification Arrangements*

Our bylaws provide that our directors, officers and agents shall be indemnified against expenses including attorneys fees, judgments, fines, settlements actually and reasonably incurred in connection with any proceeding arising out of their status as such, if such director, officer or agent acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of LSI Logic Corporation, and, with the respect to any criminal action or proceeding, had no reasonable cause to believe such conduct was unlawful.

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We have entered into agreements to indemnify our directors and officers, in addition to the indemnification provided for in our Certificate of Incorporation and Bylaws. These agreements, among other things, indemnify our directors and officers for certain expenses, including attorney's fees, judgments, fines and settlement amounts incurred by any such person in any action or proceeding, including any action by or in the right of LSI, arising out of such person's services as a director or officer of LSI, any subsidiary of LSI or any other company or enterprise to which the person provides services at the request of LSI.

**Item 16. Exhibits**

The following exhibits are filed herewith or incorporated by reference herein:

Exhibit Number	Description
3.1	Restated Certificate of Incorporation.(1)
3.2	Bylaws.(2)
4.1	Indenture.(3)
5.1	Opinion of Wilson Sonsini Goodrich & Rosati, Professional Corporation.*
10.1	Registration Rights Agreement.(3)
12.1	Computation of Ratio of Earnings to Fixed Charges.*
23.1	Consent of PricewaterhouseCoopers LLP, independent accountants.
23.2	Consent of Wilson Sonsini Goodrich & Rosati, Professional Corporation (included in Exhibit 5.1).*
24.1	Power of Attorney of certain directors and officers of LSI Logic Corporation (see page II-4 of the initial filing of this Form S-3).*
25.1	Form T-1 Statement of Eligibility of Trustee for Indenture under the Trust Indenture Act of 1939.*

\* Previously filed.

- (1) Incorporated by reference to exhibits filed with the Registrant's Registration Statement on Form S-8 (No. 333-46436) filed September 22, 2000.
- (2) Incorporated by reference to exhibits filed with the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 30, 2003.
- (3) Incorporated by reference to exhibits filed with the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2003.

**Item 17. Undertakings**

1. The undersigned Registrant hereby undertakes:

- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:
- (a) To include any prospectus required by Section 10(a)(3) of the Securities Act,
- (b) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in

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volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective registration statement,

(c) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

provided, however, that clauses (a) and (b) do not apply if the information required to be included in a post-effective amendment by such clauses is contained in periodic reports filed with or furnished to the Securities and Exchange Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 (the Exchange Act ) that are incorporated by reference in the Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

2. The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act that is incorporated by reference in this Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

3. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the provisions described under Item 15 above, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities, other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding, is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

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**SIGNATURES**

Pursuant to the requirements of the Securities Act, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Amendment No. 4 to Registration Statement on Form S-3 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Milpitas, State of California, on November 7, 2003.

LSI LOGIC CORPORATION

By: /s/ Wilfred J. Corrigan

\_\_\_\_\_  
 Name: Wilfred J. Corrigan  
 Title: Chairman, Chief Executive Officer and Director

**POWER OF ATTORNEY**

Pursuant to the requirements of the Securities Act, this Amendment No. 4 to Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Wilfred J. Corrigan</u>	Chairman, Chief Executive Officer and Director	November 7, 2003
Wilfred J. Corrigan	(Principal Executive Officer)	
<u>/s/ Bryon Look</u>	Executive Vice President and Chief Financial Officer	November 7, 2003
Bryon Look		
<u>*</u>	Director	November 7, 2003
<u>T.Z. Chu</u>		
<u>*</u>	Director	November 7, 2003
<u>Malcolm R. Currie</u>		
<u>*</u>	Director	November 7, 2003
<u>James H. Keyes</u>		

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<u>Signature</u>	<u>Title</u>	<u>Date</u>
*	Director	November 7, 2003
R. Douglas Norby		
*	Director	November 7, 2003
Matthew J. O Rourke		
*	Director	November 7, 2003
Gregorio Reyes		
*	Director	November 7, 2003
Larry W. Sonsini		

\*By           /s/ David G. Pursel  
           David G. Pursel  
           (Attorney-in-fact)

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