

CENTRAL STATES CAN CO OF PUERTO RICO INC

Form 424B3

October 07, 2011

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Filed Pursuant to Rule 424(b)(3)

Registration No. 333-176450

**PROSPECTUS**

**Crown Americas LLC**

**Crown Americas Capital Corp. III**

**OFFER TO EXCHANGE**

**\$700,000,000 6 1/4% Senior Notes due 2021 and related Guarantees for all outstanding 6 1/4% Senior Notes due 2021**

The exchange offer expires at 5:00 p.m., New York City time, on November 7, 2011, unless extended. Crown Americas LLC ( "Crown Americas" ) and Crown Americas Capital Corp. III ( "Crown Americas Capital III" ), or the issuers, will exchange all old notes that are validly tendered and not validly withdrawn prior to the expiration of the exchange offer. You may withdraw tenders of outstanding notes at any time before the exchange offer expires.

The form and terms of the new notes will be identical in all material respects to the form and terms of the old notes, except that the new notes:

will have been registered under the Securities Act;

will not bear restrictive legends restricting their transfer under the Securities Act;

will not be entitled to the registration rights that apply to the old notes; and

will not contain provisions relating to increased interest rates in connection with the old notes under circumstances related to the timing of the exchange offer.

The new notes will be senior obligations of the issuers and initially will be guaranteed on a senior basis by their indirect parent, Crown Holdings, Inc., or Crown, and each of Crown's U.S. subsidiaries (other than Crown Americas, Crown Americas Capital III, Crown Americas Capital Corp. and Crown Americas Capital Corp. II) that guarantees obligations under Crown's senior secured credit facilities. The entities providing such guarantees are referred to collectively as the guarantors. The notes will not be guaranteed by Crown's foreign subsidiaries. The new notes and new note guarantees will be effectively junior in right of payment to all existing and future secured indebtedness of the issuers and the guarantors to the extent of the value of the assets securing such indebtedness and will be junior in right of payment to all indebtedness of Crown's non-guarantor subsidiaries.

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Each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with re-sales of new notes received in exchange for old notes where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. Crown has agreed that, starting on the expiration date of the exchange offer and ending on the close of business one year after the expiration date, it will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

See **Risk Factors** beginning on page 12 for a discussion of risks that should be considered by holders prior to tendering their old notes.

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

**The date of this prospectus is October 7, 2011.**

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**This prospectus incorporates important business and financial information that is not included in or delivered with this document. This information is available without charge upon written or oral request. To obtain timely delivery, note holders must request the information no later than five business days before the expiration date. The expiration date is November 7, 2011. See Incorporation of Documents by Reference.**

**You should rely only on the information contained in this document and any supplement, including the periodic reports and other information we file with the Securities and Exchange Commission or to which we have referred you. See Where You Can Find Additional Information. Neither Crown Americas, Crown Americas Capital III nor Crown has authorized anyone to provide you with information that is different. If anyone provides you with different or inconsistent information, you should not rely on it. Neither Crown Americas, Crown Americas Capital III nor Crown is making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted, where the person making the offer is not qualified to do so, or to any person who cannot legally be offered the securities.**

Each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with re-sales of new notes received in exchange for old notes where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. Crown has agreed that, starting on the expiration date of the exchange offer and ending on the close of business one year after the expiration date, it will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

The distribution of this prospectus and the offer or sale of the new notes may be restricted by law in certain jurisdictions. Persons who possess this prospectus must inform themselves about, and observe, any such

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restrictions. See Plan of Distribution. None of Crown Americas, Crown Americas Capital III, Crown or any of their respective representatives is making any representation to any offeree or purchaser under applicable legal investment or similar laws or regulations. Each prospective investor must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells notes or possesses or distributes this prospectus and must obtain any consent, approval or permission required by it for the purchase, offer or sale by it of notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and none of Crown Americas, Crown Americas Capital III, Crown or any of their respective representatives shall have any responsibility therefor.

This prospectus does not constitute an offer to sell or a solicitation of an offer to buy securities to any person in any jurisdiction where it is unlawful to make such an offer or solicitation.

## **MARKETS, RANKING AND OTHER DATA**

The data included in this prospectus regarding markets and ranking, including the position of Crown and its competitors within these markets, are based on independent industry publications, reports of government agencies or other published industry sources and the estimates of Crown based on its management's knowledge and experience in the markets in which it operates. Crown's estimates have been based on information obtained from customers, suppliers, trade and business organizations and other contacts in the markets in which it operates. This information may prove to be inaccurate because of the method by which Crown obtained some of the data for these estimates or because this information cannot always be independently verified with complete certainty due to the limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other inherent limitations and uncertainties. Furthermore, facts, statistics and estimates upon which these publications and data are based and to which Crown cites in this prospectus may become outdated, obsolete or inaccurate as underlying facts or markets or industry conditions change.

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**SUMMARY**

*The following summary should be read in connection with, and is qualified in its entirety by, the more detailed information and financial statements (including the accompanying notes) included elsewhere or incorporated by reference in this prospectus. See Risk Factors for a discussion of certain factors that should be considered in connection with this offering. Unless the context otherwise requires:*

Crown refers to Crown Holdings, Inc. and its subsidiaries on a consolidated basis;

Crown Cork refers to Crown Cork & Seal Company, Inc. and not its subsidiaries;

Crown European Holdings refers to Crown European Holdings SA and not its subsidiaries;

Crown Americas refers to Crown Americas LLC and not its subsidiaries;

Crown Americas Capital III refers to Crown Americas Capital Corp. III;

we, us, our and the issuers refers to Crown Americas and Crown Americas Capital III, collectively;

old notes refers to the \$700 million aggregate principal amount of ~~7~~6% Senior Notes due 2021 issued on January 31, 2011 prior to the exchange;

new notes refers to the \$700 million aggregate principal amount of ~~7~~6% Senior Notes due 2021 offered in exchange for the old notes pursuant to this prospectus;

notes refers collectively to the old notes and the new notes.

**Crown Holdings, Inc.**

Crown is a worldwide leader in the design, manufacture and sale of packaging products for consumer goods. The Company's primary products include steel and aluminum cans for food, beverage, household and other consumer products and metal vacuum closures and caps. These products are manufactured in Crown's plants both within and outside the United States and are sold through Crown's sales organization to the soft drink, food, citrus, brewing, household products, personal care and various other industries. At June 30, 2011, Crown operated 135 plants along with sales and service facilities throughout 41 countries and had approximately 22,000 employees. Consolidated net sales for Crown in 2010 were \$7.9 billion with 72% of 2010 net sales derived from operations outside the United States.

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### **Organizational Structure**

The following chart shows a summary of Crown's current organizational structure, as well as the applicable obligors under the notes, other outstanding unsecured notes and Crown's senior secured credit facilities as of the date of this prospectus. Crown may modify this corporate structure in the future, subject to the covenants in the indenture governing the notes and compliance with the agreements governing Crown's other outstanding indebtedness. The new notes offered hereby in exchange for the old notes are unsecured and guaranteed by Crown and each of Crown's U.S. subsidiaries that guarantees obligations under Crown's senior secured credit facilities (other than Crown Americas, Crown Americas Capital III, Crown Americas Capital Corp. II and Crown Americas Capital Corp.). See Capitalization.

\* Guarantor of Crown Cork's obligations under its outstanding unsecured notes.

\*\* Guarantors of outstanding senior unsecured notes and senior secured credit facilities of Crown European Holdings and its subsidiaries.

\*\*\* Guarantors of outstanding senior unsecured notes of Crown European Holdings and senior secured credit facilities.

\*\*\*\* Guarantors of Crown Americas and Crown Americas Capital Corp. II's obligations under the outstanding senior unsecured notes and Crown Americas Capital III's obligations under the notes offered to be exchanged hereby.

(1) Crown International Holdings, Inc. also has subsidiaries formed in Canada and the United Kingdom, which guarantee Crown European Holdings' outstanding senior unsecured notes and senior secured credit facilities.

Crown is a Pennsylvania corporation. Crown's principal executive offices are located at One Crown Way, Philadelphia, Pennsylvania 19154, and its telephone number is (215) 698-5100. Crown Cork is a Pennsylvania corporation. Crown Americas (formerly known as Crown Americas, Inc.) is a Pennsylvania limited liability company. Crown Americas Capital Corp. II and Crown Americas Capital III are Delaware corporations. Crown European Holdings (formerly known as CarnaudMetalbox SA) is a *société anonyme* organized under the laws of France. Each of Crown Americas, Crown Americas Capital Corp. II, Crown Americas Capital III and Crown European Holdings is an indirect, wholly-owned subsidiary of Crown, and Crown Cork is a direct, wholly-owned subsidiary of Crown.

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**The Exchange Offer**

The summary below describes the principal terms of the exchange offer and is not intended to be complete. Certain of the terms and conditions described below are subject to important limitations and exceptions. The section of this prospectus entitled "The Exchange Offer" contains a more detailed description of the terms and conditions of the exchange offer.

On January 31, 2011, we issued and sold \$700,000,000 6 1/4% Senior Notes due 2021.

In connection with this sale, we entered into a registration rights agreement with the initial purchasers of the old notes in which we agreed to deliver this prospectus to you and to complete an exchange offer for the old notes.

Notes Offered

\$700,000,000 6 1/4% Senior Notes due 2021.

The issuance of the new notes will be registered under the Securities Act. The terms of the new notes and old notes are identical in all material respects, except for transfer restrictions, registration rights relating to the old notes and certain provisions relating to increased interest rates in connection with the old notes under circumstances related to the timing of the exchange offer. You are urged to read the discussions under the heading "The New Notes" in this Summary for further information regarding the new notes.

The Exchange Offer

We are offering to exchange the new notes for up to \$700 million aggregate principal amount of the old notes.

Old notes may be exchanged only in denominations of \$2,000 and any integral multiple of \$1,000 in excess thereof. In this prospectus, the term "exchange offer" means this offer to exchange new notes for old notes in accordance with the terms set forth in this prospectus and the accompanying letter of transmittal. You are entitled to exchange your old notes for new notes.

Expiration Date; Withdrawal of Tender

The exchange offer will expire at 5:00 p.m., New York City time, on November 7, 2011, or such later date and time to which it may be extended by us. The tender of old notes pursuant to the exchange offer may be withdrawn at any time prior to the expiration date of the exchange offer. Any old notes not accepted for exchange for any reason will be returned without expense to the tendering holder thereof promptly after the expiration or termination of the exchange offer.

Conditions to the Exchange Offer

Our obligation to accept for exchange, or to issue new notes in exchange for, any old notes is subject to customary conditions relating to compliance with any applicable law or any applicable interpretation by the staff of the Securities and Exchange Commission, the receipt of any applicable governmental approvals and the absence of any actions or proceedings of any governmental agency or court which could





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materially impair Crown Americas' or Crown Americas Capital III's ability to consummate the exchange offer. See "The Exchange Offer—Conditions to the Exchange Offer."

Procedures for Tendering Old Notes

If you wish to accept the exchange offer and tender your old notes, you must either:

complete, sign and date the Letter of Transmittal, or a facsimile of the Letter of Transmittal, in accordance with its instructions and the instructions in this prospectus, and mail or otherwise deliver such Letter of Transmittal, or the facsimile, together with the old notes and any other required documentation, to the exchange agent at the address set forth herein; or

if old notes are tendered pursuant to book-entry procedures, the tendering holder must arrange with the Depository Trust Company, or DTC, to cause an agent's message to be transmitted through DTC's Automated Tender Offer Program System with the required information (including a book-entry confirmation) to the exchange agent.

Broker-Dealers

Each broker-dealer that receives new notes for its own account in exchange for old notes, where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. See "Plan of Distribution."

Use of Proceeds

We will not receive any proceeds from the exchange offer. See "Use of Proceeds."

Exchange Agent

The Bank of New York Mellon Trust Company, N.A. is serving as the exchange agent in connection with the exchange offer.

Federal Income Tax Consequences

The exchange of old notes for new notes pursuant to the exchange offer should not be a taxable event for federal income tax purposes. See "Certain Material U.S. Federal Income Tax Considerations."

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**Consequences of Exchanging Old Notes Pursuant to the Exchange Offer**

Based on certain interpretive letters issued by the staff of the Securities and Exchange Commission to third parties in unrelated transactions, Crown Americas and Crown Americas Capital III are of the view that holders of old notes (other than any holder who is an affiliate of the issuers within the meaning of Rule 405 under the Securities Act) who exchange their old notes for new notes pursuant to the exchange offer generally may offer the new notes for resale, resell such new notes and otherwise transfer the new notes without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that:

the new notes are acquired in the ordinary course of the holders' business;

the holders have no arrangement or understanding with any person to participate in a distribution of the new notes; and

neither the holder nor any other person is engaging in or intends to engage in a distribution of the new notes.

Each broker-dealer that receives new notes for its own account in exchange for old notes that were acquired as a result of market-making or other trading activity must acknowledge that it will deliver a prospectus in connection with any resale of the new notes. See Plan of Distribution. If a holder of old notes does not exchange the old notes for new notes according to the terms of the exchange offer, the old notes will continue to be subject to the restrictions on transfer contained in the legend printed on the old notes. In general, the old notes may not be offered or sold, unless registered under the Securities Act, except under an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. Holders of old notes do not have any appraisal or dissenters' rights in connection with the exchange offer. See The Exchange Offer Resales of New Notes.

Additionally, if you do not participate in the exchange offer, you will not be able to require us to register your old notes under the Securities Act except in limited circumstances. These circumstances are:

the exchange offer is not permitted by applicable law or SEC policy,

the exchange offer is not consummated by January 26, 2012,

you are prohibited by applicable law or SEC policy from participating in the exchange offer, or

prior to the 20th day following consummation of the exchange offer:

any initial purchaser of the old notes requests that we register old notes that were not eligible to be exchanged for new notes in the exchange offer and that are held by it following consummation of the exchange offer; or

any holder of old notes notifies us that it is not eligible to participate in the exchange offer; or

any initial purchaser of the old notes notifies us that it will not receive freely tradable new notes in exchange for old notes constituting any portion of an unsold allotment.

In these cases, the registration rights agreement requires us to file a registration statement for a continuous offering in accordance with Rule 415 under the Securities Act for the benefit of the holders of the old notes. We do not currently anticipate that we will register under the Securities

Act any old notes that remain outstanding after completion of the exchange offer.

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### **The New Notes**

The summary below describes the principal terms of the new notes and is not intended to be complete. Many of the terms and conditions described below are subject to important limitations and exceptions. The Description of the Notes section of this prospectus contains a more detailed description of the terms and conditions of the new notes.

Issuers	Crown Americas, LLC, a Pennsylvania limited liability company, and Crown Americas Capital Corp. III, a Delaware corporation.
Notes Offered	\$700,000,000 principal amount of 6 <sup>1</sup> / <sub>4</sub> % Senior Notes due 2021.
Maturity	February 1, 2021
Interest	Interest on the new notes will accrue from the most recent date to which interest has been paid on the old notes and will be payable on February 1 and August 1 of each year commencing on August 1, 2011.
Ranking and Guarantees	<p>The new notes will be senior obligations of Crown Americas and Crown Americas Capital III, ranking senior in right of payment to all subordinated indebtedness of Crown Americas and Crown Americas Capital III, and will be unconditionally guaranteed on a senior basis by Crown and each of Crown's present and future U.S. subsidiaries (other than Crown Americas, Crown Americas Capital III, Crown Americas Capital Corp. II and Crown Americas Capital Corp.) that from time to time are obligors under or guarantee Crown's senior secured credit facilities.</p> <p>The new notes and new note guarantees will be senior unsecured obligations of the issuers and the guarantors,</p> <p>effectively ranking junior in right of payment to all existing and future secured indebtedness of the issuers and the guarantors to the extent of the value of the assets securing such indebtedness, including any borrowings under Crown's senior secured credit facilities;</p> <p>structurally subordinated to all indebtedness of Crown's non-guarantor subsidiaries which include all of Crown's foreign subsidiaries and any U.S. subsidiaries that are neither obligors nor guarantors of Crown's senior secured credit facilities;</p> <p>ranking equal in right of payment to any existing or future senior unsecured indebtedness of the issuers and the guarantors; and</p>

ranking senior in right of payment to all existing and future subordinated indebtedness of the issuers and the guarantors.

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Upon the release of any new note guarantor from its obligations under Crown's senior secured credit facilities, unless there is existing a default or event of default under the indenture governing the new notes, the guarantee of such new notes by such new note guarantor will also be released.

As of June 30, 2011, Crown and its subsidiaries had approximately \$3.9 billion of indebtedness, including \$1.4 billion of secured indebtedness and \$1.0 billion of additional indebtedness of non-guarantor subsidiaries.

### Additional Indebtedness

Crown may be able to incur additional debt in the future. Although Crown's senior secured credit facilities contain, and the indenture governing the new notes offered to be exchanged hereby will contain, restrictions on Crown's ability to incur indebtedness, those restrictions are subject to a number of exceptions.

### Net Sales and Gross Profit from Non-Guarantors

For the fiscal years ended December 31, 2009 and 2010 and the six months ended June 30, 2011, the non-guarantor subsidiaries of Crown represented in the aggregate approximately 72%, 71% and 73%, respectively, of consolidated net sales (calculated using, \$5,714 million of net sales by non-guarantor subsidiaries for the fiscal year ended December 31, 2009, \$5,618 million for the fiscal year ended December 31, 2010 and \$3,027 million for the six months ended June 30, 2011, divided by Crown's total consolidated net sales of \$7,938 million for the fiscal year ended December 31, 2009, \$7,941 million for the fiscal year ended December 31, 2010 and \$4,163 million for the six months ended June 30, 2011).

For the fiscal years ended December 31, 2009 and 2010 and the six months ended June 30, 2011, the non-guarantor subsidiaries of Crown represented in the aggregate approximately 76%, 75% and 71%, respectively, of consolidated gross profit (calculated using \$910 million of gross profit from non-guarantor subsidiaries for the fiscal year ended December 31, 2009, \$933 million for the fiscal year ended December 31, 2010 and \$472 million of gross profit for the six months ended June 30, 2011, divided by Crown's total consolidated gross profit of \$1,193 million for the fiscal year ended December 31, 2009, \$1,250 million for the fiscal year ended December 31, 2010 and \$663 million for the six months ended June 30, 2011).

### Optional Redemption

The issuers may redeem some or all of the new notes at any time prior to February 1, 2016 by paying a make-

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whole premium as set forth under Description of the Notes Optional Redemption, plus accrued and unpaid interest, if any, to the redemption date. Thereafter, the issuers may redeem some or all of the new notes at the redemption prices set forth under Description of the Notes Optional Redemption, plus accrued and unpaid interest, if any, to the redemption date.

### Optional Redemption After Certain Equity Offerings

On or prior to February 1, 2014, the issuers may use the net cash proceeds from certain equity offerings of capital stock of Crown that are contributed to the common equity capital or are used to subscribe for qualified capital stock of Crown Americas to redeem up to 35% of the principal amount of the new notes at a redemption price equal to 106.250% of their principal amount, plus accrued and unpaid interest, if any, to the redemption date; *provided* that at least 65% of the aggregate principal amount of such new notes originally issued remain outstanding immediately after such redemption. See Description of the Notes Optional Redemption.

### Change of Control

Upon a change of control of Crown, as defined under the caption Description of the Notes Repurchase at the Option of Holders, you will have the right, as a holder of new notes, to require the issuers to repurchase all or part of your new notes at a repurchase price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to the repurchase date. Crown will comply, to the extent applicable, with the requirements of Section 14(e) of the Securities Exchange Act of 1934, as amended, and any other securities laws or regulations in connection with the repurchase of notes in the event of a change of control.

### Asset Sales

The issuers may have to use a portion of the net cash proceeds from selling assets to offer to purchase your new notes at a purchase price equal to 100% of their principal amount, plus accrued and unpaid interest, if any, to the purchase date. See Description of the Notes Repurchase at the Option of Holders.

### Restrictive Covenants

The indenture governing the new notes limits, among other things, Crown's ability and the ability of its restricted subsidiaries (including the issuers) to:

incur additional debt and issue preferred stock;

pay dividends or make other distributions, repurchase capital stock, repurchase subordinated debt and make certain investments;

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create liens and engage in sale and leaseback transactions;

create restrictions on the payment of dividends and other amounts to Crown or the issuers from restricted subsidiaries;

sell assets or merge or consolidate with or into other companies; and

engage in transactions with affiliates.

These covenants are subject to a number of important exceptions and limitations that are described under the caption *Description of the Notes – Certain Covenants*.

**Covenant Termination**

If at any time the new notes are rated investment grade by both Moody's Investors Service, Inc. and Standard & Poor's Ratings Services and no default or event of default has occurred and is continuing under the indenture governing such new notes, Crown and its subsidiaries will no longer be subject to most of the covenants described under the captions *Restrictive Covenants* and *Change of Control* above with respect to such new notes and will not be required to offer to purchase such new notes from the net cash proceeds from asset sales as described under the caption *Asset Sales* above. Crown and its subsidiaries will not subsequently become subject to such covenants notwithstanding that one or both of such rating agencies may subsequently decrease their ratings of such new notes to below investment grade status. See *Description of the Notes – Certain Covenants*. The old notes are not currently rated investment grade.

**Risk Factors**

An investment in the new notes and participation in the exchange offer involve risks. You should carefully consider all of the information in this prospectus. In particular, you should evaluate the specific risk factors set forth under the caption *Risk Factors* in this prospectus.



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The following table sets forth summary historical consolidated condensed financial data for Crown. The summary of operations data, balance sheet data and other financial data for each of the years in the four-year period ended December 31, 2010 have been derived from Crown's audited consolidated financial statements and the notes thereto. The summary of operations data, balance sheet data and other financial data for each of the six-month periods ended June 30 2010 and 2011, respectively, have been derived from Crown's unaudited consolidated financial statements and the notes thereto. You should read the following financial information in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and Crown's consolidated financial statements, the related notes and the other financial information incorporated by reference in this prospectus.

	(dollars in millions)					
	Year Ended December 31,				Six Months Ended June 30,	
	2007	2008	2009	2010	2010	2011
<b>Summary of Operations Data:</b>						
Net sales	\$ 7,727	\$ 8,305	\$ 7,938	\$ 7,941	\$ 3,787	\$ 4,163
Cost of products sold, excluding depreciation and amortization	6,468	6,885	6,551	6,519	3,114	3,415
Depreciation and amortization	229	216	194	172	88	85
Gross profit	1,030	1,204	1,193	1,250	585	663
Selling and administrative expense	385	396	381	360	174	202
Provision for asbestos	29	25	55	46		
Provision for restructuring	20	21	43	42	24	25
Asset impairments and sales	100	6	(6)	(18)	(7)	0
Loss from early extinguishments of debt		2	26	16	0	32
Interest expense	318	302	247	203	92	116
Interest income	(14)	(11)	(6)	(9)	(3)	(6)
Translation and exchange adjustments	(9)	21	(6)	(4)	(2)	1
Income before income taxes and equity earnings	201	442	459	614	307	293
Provision for/(benefit from) income taxes	(400)	112	7	165	96	95
Equity earnings/(loss) in affiliates			(2)	3		
Net income	601	330	450	452	211	198
Net income attributable to noncontrolling interests	(73)	(104)	(116)	(128)	(58)	(53)
Net income attributable to Crown Holdings	\$ 528	\$ 226	\$ 334	\$ 324	\$ 153	\$ 145

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	(dollars in millions)					
	Year Ended December 31,			Six Months Ended June 30,		
	2007	2008	2009	2010	2010	2011
<b>Other Financial Data:</b>						
Net cash flows provided by/(used for):						
Operating activities	\$ 509	\$ 422	\$ 756	\$ 590	\$ (194)	\$ (247)
Investing activities	(94)	(186)	(200)	(281)	(85)	(307)
Financing activities	(396)	(77)	(701)	(299)	256	494
Capital expenditures	156	174	180	320	104	184
Ratio of earnings to fixed charges (1)	1.6x	2.4x	2.7x	3.8x	4.0x	3.4x
<b>Balance Sheet Data (at end of period):</b>						
Cash and cash equivalents	\$ 457	\$ 596	\$ 459	\$ 463	\$ 412	\$ 421
Working capital (2)	151	385	317	272	614	889
Total assets	6,979	6,774	6,532	6,899	6,701	8,059
Total debt	3,437	3,337	2,798	3,048	2,979	3,876
Crown Holdings shareholders equity/(deficit)	15	(317)	(6)	(96)	105	(70)

- (1) For purposes of computing the ratio of earnings to fixed charges, earnings consist of income before income taxes and equity earnings plus fixed charges (exclusive of interest capitalized during the period), amortization of interest previously capitalized and distributed income from less-than-50%-owned companies. Fixed charges include interest incurred, expensed and capitalized, amortization of debt issue costs and the portion of rental expense that is deemed representative of an interest factor. For purposes of the covenants in the indenture governing the notes, the ratio of earnings to fixed charges is defined differently.
- (2) Working capital consists of current assets less current liabilities.

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### **RISK FACTORS**

*You should carefully consider the risks described below, as well as the other information contained in this prospectus, before deciding whether to participate in the exchange offer. The risks described below are not the only ones that we face. Additional risks not presently known to us may also impair our business operations. The actual occurrence of any of these risks could materially adversely affect our business, financial condition and results of operations. In that case, the value of the new notes could decline substantially, and you may lose part or all of your investment.*

#### **Risks Related to the Exchange Offer**

*If you fail to exchange your old notes for new notes your old notes will continue to be subject to restrictions on transfer and may become less liquid.*

We did not register the old notes under the Securities Act or any state securities laws, nor do we intend to after the exchange offer. In general, you may only offer or sell the old notes if they are registered under the Securities Act and applicable state securities laws, or offered and sold under an exemption from these requirements. If you do not exchange your old notes in the exchange offer, you will lose your right to have the old notes registered under the Securities Act, subject to certain limitations. If you continue to hold old notes after the exchange offer, you may be unable to sell the old notes.

Because we anticipate that most holders of old notes will elect to exchange their old notes, we expect that the liquidity of the market for any old notes remaining after the completion of the exchange offer will be substantially limited. Any old notes tendered and exchanged in the exchange offer will reduce the aggregate principal amount of the old notes outstanding. Following the exchange offer, if you do not tender your old notes you generally will not have any further registration rights, and your old notes will continue to be subject to certain transfer restrictions. Accordingly, the liquidity of the market for the old notes could be adversely affected.

*If an active trading market for the new notes does not develop, the liquidity and value of the new notes could be harmed.*

There is no existing market for the new notes. An active public market for the new notes may not develop or, if developed, may not continue. If an active public market does not develop or is not maintained, you may not be able to sell your new notes at their fair market value or at all.

Even if a public market for the new notes develops, trading prices will depend on many factors, including prevailing interest rates, Crown's operating results and the market for similar securities. Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the new notes. Declines in the market for debt securities generally may also materially and adversely affect the liquidity of the new notes, independent of Crown's financial performance.

*You must comply with the exchange offer procedures in order to receive new notes.*

The new notes will be issued in exchange for the old notes only after timely receipt by the exchange agent of the old notes or a book-entry confirmation related thereto, a properly completed and executed letter of transmittal or an agent's message and all other required documentation. If you want to tender your old notes in exchange for new notes, you should allow sufficient time to ensure timely delivery. None of us, Crown nor the exchange agent are under any duty to give you notification of defects or irregularities with respect to tenders of old notes for exchange. Old notes that are not tendered or are tendered but not accepted will, following the exchange offer, continue to be subject to the existing transfer restrictions. In addition, if you tender the old notes in the exchange offer to participate in a distribution of the new notes, you will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction. For additional information, please refer to the sections entitled "The Exchange Offer" and "Plan of Distribution" later in this prospectus.

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*Some persons who participate in the exchange offer must deliver a prospectus in connection with resales of the new notes.*

Based on interpretations of the staff of the SEC contained in Exxon Capital Holdings Corp., SEC no-action letter (April 13, 1988), Morgan Stanley & Co. Inc., SEC no-action letter (June 5, 1991) and Shearman & Sterling, SEC no-action letter (July 2, 1983), we believe that you may offer for resale, resell or otherwise transfer the new notes without compliance with the registration and prospectus delivery requirements of the Securities Act. However, in some instances described in this prospectus under Plan of Distribution, you will remain obligated to comply with the registration and prospectus delivery requirements of the Securities Act to transfer your new notes. In these cases, if you transfer any new note without delivering a prospectus meeting the requirements of the Securities Act or without an exemption from registration of your exchange under the Securities Act, you may incur liability under the Securities Act. We do not and will not assume, or indemnify you against, this liability.

## **Risks Related to the New Notes**

*The substantial indebtedness of Crown could prevent it from fulfilling its obligations under the new notes and the new note guarantees.*

Crown has substantial outstanding debt. As a result of Crown's substantial indebtedness, a significant portion of Crown's cash flow will be required to pay interest and principal on its outstanding indebtedness, and Crown may not generate sufficient cash flow from operations, or have future borrowings available under its senior secured credit facilities, to enable it to repay its indebtedness, including the new notes, or to fund other liquidity needs. As of June 30, 2011, Crown and its subsidiaries had approximately \$3.9 billion of indebtedness. Crown's ratio of earnings to fixed charges was 2.7 times for the fiscal year ended December 31, 2009, 3.8 times for the fiscal year ended December 31, 2010 and 3.4 times for the six months ended June 30, 2011. Crown's \$200 million and 274 million (\$397 million at June 30, 2011) senior secured term loan facilities mature on June 9, 2016. Crown's \$400 million of senior notes mature on May 15, 2017, and Crown European Holdings 500 million (\$725 million at June 30, 2011) of senior notes mature on August 15, 2018. In addition, at June 30, 2011 Crown had approximately \$125 million and 69 million (\$100 million at June 30, 2011) outstanding under Crown's committed \$200 million North American and 120 million (\$174 million at June 30, 2011) European securitization facilities, which mature in March 2013 and November 2011, respectively. See Use of Proceeds and Description of Certain Indebtedness.

The substantial indebtedness of Crown could:

make it more difficult for Crown and its subsidiaries to satisfy their obligations with respect to the new notes, such as the issuers obligation to purchase new notes tendered as a result of a change in control of Crown;

increase Crown's vulnerability to general adverse economic and industry conditions, including rising interest rates;

restrict Crown from making strategic acquisitions or exploiting business opportunities;

limit Crown's ability to make capital expenditures in order to grow Crown's business or maintain manufacturing plants in good working order and repair;

limit, along with the financial and other restrictive covenants under Crown's indebtedness, Crown's ability to obtain additional financing, dispose of assets or pay cash dividends;

require Crown to dedicate a substantial portion of its cash flow from operations to service its indebtedness, thereby reducing the availability of its cash flow to fund future working capital, capital expenditures, research and development expenditures and other general corporate requirements;

require Crown to sell assets used in its business;

limit Crown's ability to refinance its existing indebtedness, particularly during periods of adverse credit market conditions when refinancing indebtedness may not be available under interest rates and other terms acceptable to Crown or at all;

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increase Crown's cost of borrowing;

limit Crown's flexibility in planning for, or reacting to, changes in its business and the industry in which it operates; and

place Crown at a competitive disadvantage compared to its competitors that have less debt.

If its financial condition, operating results and liquidity deteriorate, Crown's creditors may restrict its ability to obtain future financing and its suppliers could require prepayment or cash on delivery rather than extend credit to it. If Crown's creditors restrict advances, Crown's ability to generate cash flows from operations sufficient to service its short and long-term debt obligations will be further diminished. In addition, Crown's ability to make payments on and refinance its debt and to fund its operations will depend on Crown's ability to generate cash in the future.

***Crown and Crown Americas are holding companies with no direct operations and the new notes will be structurally subordinated to all indebtedness of Crown's subsidiaries that are not guarantors of the new notes.***

Crown and Crown Americas are holding companies with no direct operations and for the fiscal years ended December 31, 2009 and 2010 and the six months ended June 30, 2011, the non-guarantor subsidiaries of Crown represented in the aggregate approximately 72%, 71% and 73% of consolidated net sales and 76%, 75% and 71% of consolidated gross profit, respectively. Their principal assets are the equity interests and investments they hold in their subsidiaries. As a result, they depend on dividends and other payments from their subsidiaries to generate the funds necessary to meet their financial obligations, including the payment of principal of and interest on their outstanding debt. Their subsidiaries are legally distinct from them and have no obligation to pay amounts due on their debt or to make funds available to them for such payment except as provided in the new note guarantees or pursuant to intercompany notes. Not all of Crown's or Crown Americas' subsidiaries will guarantee the new notes. Specifically, none of Crown's or Crown Americas' foreign subsidiaries guarantee the new notes. A holder of new notes will not have any claim as a creditor against subsidiaries of Crown or Crown Americas that are not guarantors of the new notes, and the indebtedness and other liabilities, including trade payables, whether secured or unsecured, of those non-guarantor subsidiaries will be effectively senior to your claims. The new notes are the joint and several obligations of Crown Americas and Crown Americas Capital III. Crown Americas Capital III has no assets or operations and is prohibited from engaging in any business activities except in connection with the issuance of the notes.

***Your right to receive payments on the new notes is effectively subordinated to Crown's existing secured indebtedness, including Crown's existing senior secured credit facilities and possible future secured borrowings.***

The new notes and the new note guarantees will be effectively subordinated to the prior payment in full of Crown's, Crown Americas' and the guarantors' current and future secured indebtedness to the extent of the value of the assets securing such indebtedness. As of June 30, 2011, Crown and its subsidiaries had approximately \$3.9 billion of indebtedness, including approximately \$1.4 billion of secured indebtedness and approximately \$1.0 billion of additional indebtedness of non-guarantor subsidiaries. Such secured indebtedness may increase if Crown incurs secured indebtedness, including under Crown's senior secured revolving credit facilities, to finance an acquisition or otherwise. Because of the liens on the assets securing the senior secured credit facilities, in the event of the bankruptcy, wind-up, reorganization, liquidation or dissolution of the borrowers or any guarantor of such indebtedness, the assets of the borrowers or guarantors would be available to pay obligations under the new notes offered to be exchanged hereby and other unsecured obligations only after payments had been made on the borrowers' or the guarantors' secured indebtedness. Sufficient assets may not remain after these payments have been made to make any payments on the new notes offered to be exchanged hereby and Crown's other unsecured obligations, including payments of interest when due. Holders of the new notes offered to be exchanged hereby will participate ratably with all holders of other unsecured obligations that are deemed to be of the same class as the new notes offered to be exchanged hereby, and potentially with all of Crown's other general creditors, based upon the respective amounts owed to each holder or creditor, in Crown's remaining assets. As a result, holders of

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the new notes offered to be exchanged hereby may receive less ratably than holders of secured indebtedness. In addition, all payments on the new notes and the new note guarantees will be prohibited in the event of a payment default on Crown's secured indebtedness (including borrowings under the senior secured credit facilities) and, for limited periods, upon the occurrence of other defaults under the existing senior secured credit facilities. See Description of Certain Indebtedness.

***Crown may not be able to generate sufficient cash to service all of its indebtedness, including the new notes offered to be exchanged hereby, and may be forced to take other actions to satisfy its obligations under its indebtedness, which may not be successful.***

Crown's ability to make scheduled payments on and to refinance its indebtedness, including the new notes offered to be exchanged hereby, and to fund planned capital expenditures and research and development efforts, will depend on Crown's ability to generate cash in the future. This is subject to general economic, financial, competitive, legislative, regulatory and other factors that may be beyond Crown's control.

We cannot assure you, however, that Crown's business will generate sufficient cash flow from operations or that future borrowings will be available in an amount sufficient to enable Crown to pay its indebtedness, including the new notes offered to be exchanged hereby, or to fund its other liquidity needs. If Crown's cash flows and capital resources are insufficient to fund its debt service obligations, Crown may be forced to reduce or delay capital expenditures, sell assets or operations, seek additional capital or restructure or refinance its indebtedness, including the new notes offered to be exchanged hereby. We cannot assure you that Crown would be able to take any of these actions, that these actions would be successful and permitted under the terms of Crown's existing or future debt agreements, including the indenture that will govern the new notes offered to be exchanged hereby, or that Crown could release from these actions sufficient proceeds to meet any debt service obligations then due.

***Some of Crown's indebtedness is subject to floating interest rates, which would result in Crown's interest expense increasing if interest rates rise.***

As of June 30, 2011, approximately \$1,330 million of Crown's \$3.9 billion of total indebtedness was subject to floating interest rates. Changes in economic conditions could result in higher interest rates, thereby increasing Crown's interest expense and reducing funds available for operations or other purposes. Crown's annual interest expense was \$203 million, \$247 million and \$302 million for 2010, 2009 and 2008, respectively. Based on the amount of variable rate debt outstanding at June 30, 2011, a 0.25% change in variable interest rates would change Crown's annual interest expense by approximately \$3 million before tax. Accordingly, Crown may experience economic losses and a negative impact on earnings as a result of interest rate fluctuation. The actual effect of a 0.25% change could be more than \$3 million as Crown's average borrowings on its variable rate debt may be higher during the year than the amount at June 30, 2011. Although Crown may use interest rate protection agreements from time to time to reduce its exposure to interest rate fluctuations in some cases, it may not elect or have the ability to implement hedges or, if it does implement them, they may not achieve the desired effect. See Capitalization, Description of Certain Indebtedness included in this prospectus and Management's Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources Market Risk in Crown's Annual Report on Form 10-K for the year ended December 31, 2010 and Quantitative and Qualitative Disclosures About Market Risk in Crown's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011, which are incorporated by reference in this prospectus.

***Notwithstanding Crown's current indebtedness levels and restrictive covenants, Crown may still be able to incur substantial additional debt or make certain restricted payments, which could exacerbate the risks described above.***

Crown may be able to incur additional debt in the future, including in connection with acquisitions or joint ventures. Although Crown's senior secured credit facilities and indentures governing its outstanding unsecured notes contain, and the indenture governing the new notes will contain, restrictions on Crown's ability to incur indebtedness, those restrictions are subject to a number of exceptions, and, under certain circumstances,

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indebtedness incurred in compliance with these restrictions could be substantial. In addition, if Crown is able to designate some of its restricted subsidiaries under the indenture governing the new notes as unrestricted subsidiaries, those unrestricted subsidiaries would be permitted to borrow beyond the limitations specified in the indenture and engage in other activities in which restricted subsidiaries may not engage. Crown may also consider investments in joint ventures or acquisitions, which may increase Crown's indebtedness. Moreover, although Crown's senior secured credit facilities and indentures governing its outstanding unsecured notes contain, and the indenture governing the new notes will contain, restrictions on Crown's ability to make restricted payments, including the declaration and payment of dividends and the repurchase of Crown's common stock, Crown is able to make such restricted payments under certain circumstances. Adding new debt to current debt levels or making otherwise restricted payments could intensify the related risks that Crown and its subsidiaries now face. See "Capitalization" and "Description of Certain Indebtedness."

### ***Restrictive covenants in the indenture governing the new notes and its other debt agreements governing Crown's other current or future indebtedness could restrict Crown's operating flexibility.***

The indenture governing the new notes and the indentures and agreements governing Crown's senior secured credit facilities and outstanding unsecured notes contain affirmative and negative covenants that limit the ability of Crown and its subsidiaries to take certain actions. These restrictions may limit Crown's ability to operate its businesses and may prohibit or limit its ability to enhance its operations or take advantage of potential business opportunities as they arise. Crown's senior secured credit facilities require Crown to maintain specified financial ratios and satisfy other financial conditions. The indenture governing the new notes and the agreements or indentures governing Crown's senior secured credit facilities and outstanding unsecured notes restrict, among other things and subject to certain exceptions, the ability of Crown and the ability of all or substantially all of its subsidiaries to:

incur additional debt;

pay dividends or make other distributions, repurchase capital stock, repurchase subordinated debt and make certain investments or loans;

create liens and engage in sale and leaseback transactions;

create restrictions on the payment of dividends and other amounts to Crown from subsidiaries;

make loans, investments and capital expenditures;

change accounting treatment and reporting practices;

enter into agreements restricting the ability of a subsidiary to pay dividends to, make or repay loans to, transfer property to, or guarantee indebtedness of, Crown or any of its subsidiaries;

sell or acquire assets, enter into leaseback transactions and merge or consolidate with or into other companies; and

engage in transactions with affiliates.

In addition, the indentures and agreements governing Crown's outstanding unsecured notes limit, among other things, the ability of Crown to enter into certain transactions, such as mergers, consolidations, joint ventures, asset sales, sale and leaseback transactions and the pledging of assets. Furthermore, if Crown or certain of its subsidiaries experience specific kinds of changes of control, Crown's senior secured credit facilities will be due and payable and Crown will be required to offer to repurchase outstanding notes.



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The breach of any of these covenants by Crown or the failure by Crown to meet any of these ratios or conditions could result in a default under any or all of such indebtedness. If a default occurs under any such indebtedness, all of the outstanding obligations thereunder could become immediately due and payable, which could result in a default under Crown's other outstanding debt and could lead to an acceleration of obligations related to the new notes and other outstanding debt. The ability of Crown to comply with the provisions of its senior secured credit facilities, the indenture governing the new notes, the agreements or indentures governing other indebtedness it may incur in the future and its outstanding unsecured notes can be affected by events beyond its control and, therefore, it may be unable to meet these ratios and conditions.

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***Crown's senior secured credit facilities and the indentures governing the new notes and other existing notes permit Crown to repurchase Crown's existing notes and, subject to limitations, Crown's outstanding common stock, thereby reducing the amounts available to satisfy Crown's obligations under the new notes.***

Crown's senior secured credit facilities and the indentures governing the new notes and Crown's existing notes permit the repurchase by Crown of outstanding indebtedness that is not expressly subordinated in right of payment to the new notes and any such repurchases would reduce the amounts available to satisfy Crown's obligations under the new notes. Crown's outstanding notes will not be expressly subordinated to the new notes. Crown may from time to time repurchase existing notes, including outstanding notes that are scheduled to mature after the maturity date of the new notes, and outstanding common stock.

***Crown is subject to certain restrictions that may limit its ability to make payments on its debt, including on the new notes and the new note guarantees, out of the cash reserves shown on Crown's consolidated financial statements.***

The ability of Crown's subsidiaries and joint ventures to pay dividends, make distributions, provide loans or make other payments to Crown may be restricted by applicable state and foreign laws, potentially adverse tax consequences and their agreements, including agreements governing their debt. In addition, the equity interests of Crown's joint venture partners or other shareholders in Crown's non-wholly owned subsidiaries in any dividend or other distribution made by these entities would need to be satisfied on a proportionate basis with Crown. As a result, Crown may not be able to access their cash flow to service Crown's debt, including the new notes, and Crown cannot assure you that the amount of cash and cash flow reflected on Crown's financial statements will be fully available to Crown.

***The new note guarantee of a subsidiary guarantor will be released if such subsidiary guarantor no longer guarantees or is otherwise an obligor of indebtedness under any Crown credit facility.***

Any subsidiary guarantee of the new notes may be released without action by, or consent of, any holder of the new notes or the trustee under the indenture if the subsidiary guarantor is no longer a guarantor or an obligor of any Crown credit facility as described under Description of the Notes Ranking and Guarantees. The lenders under Crown's senior secured credit facilities will have the discretion to release the subsidiary guarantees under the existing senior secured credit facilities in a variety of circumstances. You will not have a claim as a creditor against any subsidiary that is no longer a subsidiary guarantor of the new notes, and the indebtedness and other liabilities, including trade payables, whether secured or unsecured, of those subsidiaries will effectively be senior to your claims.

***The new notes and the new note guarantees may be voidable, subordinated or limited in scope under insolvency, fraudulent transfer, corporate or other laws.***

Fraudulent transfer and insolvency laws may void, subordinate or limit the new notes and the new note guarantees. See Description of the Notes Certain Bankruptcy and Fraudulent Transfer Limitations.

Under U.S. federal bankruptcy laws or comparable provisions of state fraudulent transfer laws, the issuance of the new note guarantees by Crown and the subsidiary guarantors could be voided, or claims in respect of such obligations could be subordinated to all of their other debts and other liabilities, if, among other things, at the time Crown and/or the subsidiary guarantors issued the related new note guarantees, or, potentially, the old note guarantees, Crown or the applicable subsidiary guarantor intended to hinder, delay or defraud any present or future creditor, or received less than reasonably equivalent value or fair consideration for the incurrence of such indebtedness and either:

was insolvent or rendered insolvent by reason of such incurrence;

was engaged in a business or transaction for which Crown's or such subsidiary guarantor's remaining assets constituted unreasonably small capital; or

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

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By its terms, the new note guarantee of each guarantor will limit the liability of each such guarantor to the maximum amount it can pay without the new note guarantee being deemed a fraudulent transfer.

***Crown's senior secured credit facilities provide that certain change of control events constitute an event of default. In the event of a change of control, Crown, Crown Americas and the guarantors may not be able to satisfy all of their obligations under the senior secured credit facilities, the new notes or other indebtedness.***

Crown, Crown Americas and the guarantors may not have sufficient assets or be able to obtain sufficient third party financing on favorable terms to satisfy all of their obligations under Crown's senior secured credit facilities, the new notes or other indebtedness in the event of a change of control. If Crown or the issuers experience specific kinds of changes of control, the issuers will be required to offer to repurchase all outstanding new notes. However, Crown's senior secured credit facilities provide that certain change of control events constitute an event of default under the senior secured credit facilities. Such an event of default entitles the lenders thereunder to, among other things, cause all outstanding debt obligations under the senior secured credit facilities to become due and payable and to proceed against the collateral securing the senior secured credit facilities. Any event of default or acceleration of the senior secured credit facilities will likely also cause a default under the terms of other indebtedness of Crown.

In addition, Crown's senior secured credit facilities contain, and any future credit facilities or other agreements to which Crown becomes a party may contain, restrictions on its ability to offer to repurchase the new notes in connection with a change of control. In the event a change of control occurs at a time when it is prohibited from offering to purchase the new notes, the issuers could seek consent to offer to purchase the new notes or attempt to refinance the borrowings that contain such a prohibition. If it does not obtain the consent or refinance the borrowings, the issuers would remain prohibited from offering to purchase the new notes. In such case, the failure by the issuers to offer to purchase the new notes would constitute a default under the indenture governing the new notes, which, in turn, could result in amounts outstanding under any future credit facility or other agreement relating to indebtedness being declared due and payable. Any such declaration could have adverse consequences to Crown, the issuers and the holders of the new notes.

***You may not be able to determine when a change of control has occurred and may not be able to require the issuers to purchase the new notes as a result of a change in the composition of the directors on Crown's board of directors.***

Legal uncertainty regarding what constitutes a change of control and the provisions of the indenture may allow Crown to enter into transactions, such as acquisitions, refinancings or recapitalizations, that would not constitute a change of control but may increase Crown's outstanding indebtedness or otherwise affect Crown's ability to satisfy its obligations under the new notes. The definition of change of control includes a phrase relating to the transfer of all or substantially all of the assets of Crown and its subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase under applicable law. Accordingly, your ability to require the issuers to repurchase new notes as a result of a transfer of less than all of the assets of Crown to another person may be uncertain.

In addition, in a recent decision, the Delaware Court of Chancery raised the possibility that a change of control put right occurring as a result of a failure to have continuing directors comprising a majority of a board of directors might be unenforceable on public policy grounds.

***The trading prices for the new notes may be affected by Crown's credit rating.***

Credit rating agencies continually revise their ratings for companies that they follow, including Crown. Any ratings downgrade could adversely affect the trading price of the new notes or the trading market for the new notes to the extent a trading market for the notes develops.

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***From and after the time when the new notes are rated investment grade, Crown will not be subject to most of the covenants in the indenture governing the new notes.***

At any time when the new notes are rated investment grade by both Standard & Poor's Ratings Services and Moody's Investors Service, Inc., Crown and its restricted subsidiaries will not be subject to most of the covenants contained in the indenture governing the new notes. This may permit the taking of actions that would be detrimental to the interests of the holders of the new notes and that would otherwise have been prohibited by the covenants. Crown and its restricted subsidiaries will not subsequently become subject to such covenants notwithstanding that one or both of such rating agencies may subsequently reduce the ratings of the new notes to below investment grade status.

## **Risks Related to Crown's Business**

***Crown is subject to the effects of fluctuations in foreign exchange rates, which may reduce its net sales and cash flow.***

Crown is exposed to fluctuations in foreign currencies as a significant portion of its consolidated net sales, costs, assets and liabilities are denominated in currencies other than the U.S. dollar. For the fiscal years ended December 31, 2010, 2009 and 2008 and the six months ended June 30, 2011, Crown derived approximately 72%, 72%, 74% and 73%, respectively, of its consolidated net sales from sales in foreign currencies. In its consolidated financial statements, Crown translates local currency financial results into U.S. dollars based on average exchange rates prevailing during a reporting period. During times of a strengthening U.S. dollar, its reported international revenue and earnings will be reduced because the local currency will translate into fewer U.S. dollars. Conversely, a weakening U.S. dollar will effectively increase the dollar-equivalent of Crown's expenses and liabilities denominated in foreign currencies. Crown's translation and exchange adjustments increased reported income before tax by \$4 million in 2010, \$6 million in 2009 and \$9 million in 2007, and reduced reported income before tax by \$21 million in 2008 and \$2 million in 2006. See Management's Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources Market Risk in Crown's Annual Report on Form 10-K for the year ended December 31, 2010 and Quantitative and Qualitative Disclosures About Market Risk in Crown's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011, which are incorporated by reference in this prospectus. Although Crown may use financial instruments such as foreign currency forwards from time to time to reduce its exposure to currency exchange rate fluctuations in some cases, it may not elect or have the ability to implement hedges or, if it does implement them, they may not achieve the desired effect.

For the year ended December 31, 2010, a 0.10 movement in the Euro (e.g., from 1.33 USD = 1 Euro to 1.23 USD = 1 Euro) would have reduced net income by \$9 million.

***Crown's international operations, which generated approximately 72% of its consolidated net sales in 2010, are subject to various risks that may lead to decreases in its financial results.***

Crown is an international company, and the risks associated with operating in foreign countries may have a negative impact on Crown's liquidity and net income. Crown's international operations generated approximately 72%, 72% and 74% of its consolidated net sales in 2010, 2009 and 2008, respectively. In addition, Crown's business strategy includes continued expansion of international activities, including within developing markets and areas, such as the Middle East, South America, Eastern Europe and Asia, that may pose greater risk of political or economic instability. Approximately 28%, 26% and 26% of Crown's consolidated net sales in 2010, 2009 and 2008, respectively, were generated outside of the developed markets in Western Europe, the United States and Canada.

Crown's international operations are subject to various risks associated with operating in foreign countries, including:

restrictive trade policies;

inconsistent product regulation or policy changes by foreign agencies or governments;

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duties, taxes or government royalties, including the imposition or increase of withholding and other taxes on remittances and other payments by non-U.S. subsidiaries;

customs, import/export and other trade compliance regulations;

foreign exchange rate risks;

difficulty in collecting international accounts receivable and potentially longer payment cycles;

increased costs in maintaining international manufacturing and marketing efforts;

non-tariff barriers and higher duty rates;

difficulties associated with expatriating cash generated or held abroad in a tax-efficient manner and changes in tax laws;

difficulties in enforcement of contractual obligations and intellectual property rights;

exchange controls;

national and regional labor strikes;

language and cultural barriers;

high social benefit costs for labor, including costs associated with restructurings;

civil unrest or political, social, legal and economic instability, such as the recent political turmoil in the Middle East;

product boycotts, including with respect to the products of Crown's multi-national customers;

customer, supplier, and investor concerns regarding operations in areas such as the Middle East;

taking of property by nationalization or expropriation without fair compensation;

imposition of limitations on conversions of foreign currencies into dollars or payment of dividends and other payments by non-U.S. subsidiaries;

hyperinflation and currency devaluation in certain foreign countries where such currency devaluation could affect the amount of cash generated by operations in those countries and thereby affect Crown's ability to satisfy its obligations; and

war, civil disturbance, global or regional catastrophic events, natural disasters, widespread outbreaks of infectious diseases and acts of terrorism.

There can be no guarantee that a deterioration of economic conditions in countries in which Crown operates would not have a material impact on Crown's results of operations.

***Crown's profits will decline if the price of raw materials or energy rises and it cannot increase the price of its products, and Crown's financial results could be adversely affected if Crown was not able to obtain sufficient quantities of raw materials.***

Crown uses various raw materials, such as steel, aluminum, water, natural gas, electricity and other processed energy, in its manufacturing operations. Sufficient quantities of these raw materials may not be available in the future or may be available only at increased prices. Crown's raw material supply contracts vary as to terms and duration, with steel contracts typically one year in duration with fixed prices and aluminum contracts typically multi-year in duration with fluctuating prices based on aluminum ingot costs. The availability of various raw materials and their prices depends on global and local supply and demand forces, governmental regulations (including tariffs), level of production, resource availability, transportation, and other factors. In particular, in recent years the consolidation of steel suppliers, shortage of raw materials affecting the production of steel and the increased global demand for steel, including in China and other developing countries, have contributed to an overall tighter supply for steel, resulting in increased steel prices and, in some cases, special surcharges and allocated cut backs of products by steel suppliers. In addition, future steel supply contracts may provide for prices that fluctuate or adjust rather than provide a fixed price during a one-year period.

The prices of certain raw materials used by Crown, such as steel, aluminum and processed energy, have historically been subject to volatility. In 2010, consumption of steel and aluminum represented approximately

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27% and 35%, respectively, of the Company's consolidated cost of products sold, excluding depreciation and amortization. For 2010, the weighted average market price for steel used in packaging decreased approximately 9%, when compared to the weighted average market price in 2009, and the average price of aluminum ingot on the London Metal Exchange increased approximately 29%. As a result of raw material price increases, in recent years, Crown implemented price increases in most of its steel and aluminum product categories. As a result of continuing global supply and demand pressures, other commodity-related costs affecting its business may increase as well, including natural gas, electricity and freight-related costs.

While certain, but not all, of Crown's contracts pass through raw material costs to customers, Crown may be unable to increase its prices to offset increases in raw material costs without suffering reductions in unit volume, revenue and operating income. In addition, any price increases may take effect after related cost increases, reducing operating income in the near term. Significant increases in raw material costs may increase Crown's working capital requirements, which may increase Crown's average outstanding indebtedness and interest expense and may exceed the amounts available under Crown's senior secured credit facilities and other sources of liquidity. In addition, Crown hedges raw material costs on behalf of certain customers and may suffer losses if such customers are unable to satisfy their purchase obligations.

If Crown is unable to purchase steel, aluminum or other raw materials for a significant period of time, Crown's operations would be disrupted and any such disruption may adversely affect Crown's financial results. If customers believe that Crown's competitors have greater access to raw materials, perceived certainty of supply at Crown's competitors may put Crown at a competitive disadvantage regarding pricing and product volumes.

***Pending and future asbestos litigation and payments to settle asbestos-related claims could reduce Crown's cash flow and negatively impact its financial condition.***

Crown Cork, a wholly-owned subsidiary of Crown, is one of many defendants in a substantial number of lawsuits filed throughout the United States by persons alleging bodily injury as a result of exposure to asbestos. In 1963, Crown Cork acquired a subsidiary that had two operating businesses, one of which is alleged to have manufactured asbestos-containing insulation products. Crown Cork believes that the business ceased manufacturing such products in 1963.

Crown recorded pre-tax charges of \$46 million, \$55 million, \$25 million, \$29 million and \$10 million to increase its accrual for asbestos-related liabilities in 2010, 2009, 2008, 2007 and 2006, respectively. As of June 30, 2011, Crown's accrual for pending and future asbestos-related claims and related legal costs was \$239 million, including \$189 million for unasserted claims. Crown's accrual includes estimated probable costs for claims through the year 2020. Crown's accrual excludes potential costs for claims beyond 2020 because Crown believes that the key assumptions underlying its accrual are subject to greater uncertainty as the projection period lengthens. Assumptions underlying the accrual include that claims for exposure to asbestos that occurred after the sale of the subsidiary's insulation business in 1964 would not be entitled to settlement payouts and that state statutes described under Note K to Crown's audited consolidated financial statements in Crown's Annual Report on Form 10-K for the year ended December 31, 2010 and Note H to Crown's unaudited consolidated financial statements in Crown's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011, which are incorporated by reference in this prospectus, including Texas and Pennsylvania statutes, are expected to have a highly favorable impact on Crown Cork's ability to settle or defend against asbestos-related claims in those states and other states where Pennsylvania law may apply.

Crown Cork had 50,000 asbestos-related claims outstanding at December 31, 2010. Of these claims, approximately 15,000 claims relate to claimants alleging first exposure to asbestos after 1964 and 35,000 relate to claimants alleging first exposure to asbestos before or during 1964, of which approximately 12,000 were filed in Texas, 2,000 were filed in Pennsylvania, 6,000 were filed in other states that have enacted asbestos legislation and 15,000 were filed in other states. The outstanding claims at December 31, 2010 exclude 3,100 pending claims involving plaintiffs who allege that they are, or were, maritime workers subject to exposure to asbestos, but whose claims Crown believes will not have a material effect on Crown's consolidated results of operations,

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financial position or cash flow. The outstanding claims at December 31, 2010 also exclude approximately 19,000 inactive claims. Due to the passage of time, Crown considers it unlikely that the plaintiffs in these cases will pursue further action against Crown. The exclusion of these inactive claims had no effect on the calculation of Crown's accrual as the claims were filed in states where Crown's liability is limited by statute.

During the six months ended June 30, 2011, Crown Cork received approximately 1,000 new claims, settled or dismissed approximately 1,000 claims for a total of \$10 million, and had approximately 50,000 claims outstanding at the end of the period.

On October 22, 2010, the Texas Supreme Court, in a 6-2 decision, reversed a lower court decision, *Barbara Robinson v. Crown Cork & Seal Company, Inc.*, No. 14-04-00658-CV, Fourteenth Court of Appeals, Texas, which had upheld the dismissal of an asbestos-related case against Crown Cork. The Texas Supreme Court held that the Texas legislation was unconstitutional under the Texas Constitution when applied to asbestos-related claims pending against Crown Cork when the legislation was enacted in June of 2003. In the third quarter of 2010, Crown recorded a pre-tax charge of \$15 million including estimated legal fees to increase its accrual for asbestos related costs for claims pending in Texas on June 11, 2003. Crown believes that the decision of the Texas Supreme Court is limited to retroactive application of the Texas legislation to asbestos-related cases that were pending against Crown Cork in Texas on June 11, 2003 and therefore continues to assign no value to claims filed after June 11, 2003.

Crown Cork made cash payments of \$27 million, \$26 million, \$25 million, \$26 million and \$26 million in 2010, 2009, 2008, 2007 and 2006, respectively, for asbestos-related claims. These payments have reduced and any such future payments will reduce the cash flow available to Crown Cork for its business operations and debt payments.

Asbestos-related payments and defense costs may be significantly higher than those estimated by Crown Cork because the outcome of this type of litigation (and, therefore, Crown Cork's reserve) is subject to a number of assumptions and uncertainties, such as the number or size of asbestos-related claims or settlements, the number of financially viable responsible parties, the extent to which state statutes relating to asbestos liability are upheld and/or applied by the courts, Crown Cork's ability to obtain resolution without payment of asbestos-related claims by persons alleging first exposure to asbestos after 1964, and the potential impact of any pending or future asbestos-related legislation. Accordingly, Crown Cork may be required to make payments for claims substantially in excess of its accrual, which could reduce Crown's cash flow and impair its ability to satisfy its obligations. As a result of the uncertainties regarding its asbestos-related liabilities and its reduced cash flow, the ability of Crown to raise new money in the capital markets is more difficult and more costly, and Crown may not be able to access the capital markets in the future. Further information regarding Crown Cork's asbestos-related liabilities is presented within Management's Discussion and Analysis of Financial Condition and Results of Operations under the headings, Provision for Asbestos and Liquidity and Capital Resources and under Note K to Crown's audited consolidated financial statements in Crown's Annual Report on Form 10-K for the year ended December 31, 2010 and under Note H to Crown's unaudited consolidated financial statements in Crown's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011, which are incorporated by reference in this prospectus.

***Crown has significant pension plan obligations worldwide and significant unfunded postretirement obligations, which could reduce its cash flow and negatively impact its results of operations and its financial condition.***

Crown sponsors various pension plans worldwide, with the largest funded plans in the U.K., U.S. and Canada. In 2010, 2009, 2008, 2007 and 2006, Crown contributed \$79 million, \$74 million, \$71 million, \$65 million and \$90 million, respectively, to its pension plans and currently anticipates its 2011 funding to be approximately \$75 million. Pension expense in 2011 is expected to decrease to approximately \$96 million from \$112 million in 2010. A 0.25% change in the 2011 expected rate of return assumptions would change 2011 pension expense by approximately \$9 million. A 0.25% change in the discount rates assumptions as of



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December 31, 2010 would change 2011 pension expense by approximately \$4 million. Crown may be required to accelerate the timing of its contributions under its pension plans. The actual impact of any accelerated funding will depend upon the interest rates required for determining the plan liabilities and the investment performance of plan assets. An acceleration in the timing of pension plan contributions could decrease Crown's cash available to pay its outstanding obligations and its net income.

Based on current assumptions, Crown has no minimum U.S. pension funding requirement in calendar year 2011 for its funded plan, but expects to make contributions of approximately \$15 million, including \$13 million to its funded plan and \$2 million to its supplemental executive retirement plan.

The difference between pension plan obligations and assets, or the funded status of the plans, significantly affects the net periodic benefit costs of Crown's pension plans and the ongoing funding requirements of those plans. Among other factors, significant volatility in the equity markets and in the value of illiquid alternative investments, changes in discount rates, investment returns and the market value of plan assets can substantially increase Crown's future pension plan funding requirements. A significant increase in Crown's funding requirements could have a negative impact on Crown's results of operations and profitability. See Note V to Crown's audited consolidated financial statements in Crown's Annual Report on Form 10-K for the year ended December 31, 2010, which is incorporated by reference in this prospectus for further detail. While its U.S. pension plan continues in effect, Crown continues to incur additional pension obligations. Crown's pension plan assets consist primarily of common stocks and fixed income securities and also include alternative investments such as interests in private equity or hedge funds. If the performance of investments in the plan does not meet Crown's assumptions, the underfunding of the pension plan may increase, Crown may have to contribute additional funds to the pension plan, and its pension expense may increase. In addition, its retiree medical plans are unfunded.

Crown's U.S. pension plan is subject to the Employee Retirement Income Security Act of 1974, or ERISA. Under ERISA, the Pension Benefit Guaranty Corporation, or PBGC, has the authority to terminate an underfunded plan under certain circumstances. In the event its U.S. pension plan is terminated for any reason while the plan is underfunded, Crown will incur a liability to the PBGC that may be equal to the entire amount of the underfunding. In addition, as of December 31, 2010 the unfunded accumulated postretirement benefit obligation, as calculated in accordance with U.S. generally accepted accounting principles, for retiree medical benefits was approximately \$446 million, based on assumptions set forth under Note V to Crown's audited consolidated financial statements in Crown's Annual Report on Form 10-K for the year ended December 31, 2010, which is incorporated by reference in this prospectus.

### ***Acquisitions or investments that Crown may pursue could be unsuccessful, consume significant resources and require the incurrence of additional indebtedness.***

Crown may pursue acquisitions and investments that complement its existing business. These acquisitions and investments may involve significant cash expenditures, debt incurrence (including the incurrence of additional indebtedness under Crown's senior secured revolving credit facilities or other secured or unsecured debt), operating losses and expenses that could have a material effect on Crown's financial condition and operating results.

In particular, if Crown incurs additional debt, Crown's liquidity and financial stability could be impaired as a result of using a significant portion of available cash or borrowing capacity to finance an acquisition. Moreover, Crown may face an increase in interest expense or financial leverage if additional debt is incurred to finance an acquisition, which may, among other things, adversely affect Crown's various financial ratios and Crown's compliance with the conditions of its existing indebtedness. In addition, such additional indebtedness may be incurred under Crown's senior secured credit facilities or otherwise secured by liens on Crown's assets, in which case the new notes and the new note guarantees would be effectively subordinated to the additional debt. See Description of Certain Indebtedness.

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Acquisitions involve numerous other risks, including:

diversion of management time and attention;

failures to identify material problems and liabilities of acquisition targets or to obtain sufficient indemnification rights to fully offset possible liabilities related to the acquired businesses;

difficulties integrating the operations, technologies and personnel of the acquired businesses;

inefficiencies and complexities that may arise due to unfamiliarity with new assets, businesses or markets;

disruptions to Crown's ongoing business;

inaccurate estimates of fair value made in the accounting for acquisitions and amortization of acquired intangible assets which would reduce future reported earnings;

the inability to obtain required financing for the new acquisition or investment opportunities and Crown's existing business;

potential loss of key employees, contractual relationships, suppliers or customers of the acquired businesses or of Crown; and

inability to obtain required regulatory approvals.

To the extent Crown pursues an acquisition that causes it to incur unexpected costs or that fails to generate expected returns, Crown's financial position, results of operations and cash flows may be adversely affected, and Crown's ability to service its indebtedness, including the new notes, may be negatively impacted.

***Crown's principal markets may be subject to overcapacity and intense competition, which could reduce Crown's net sales and net income.***

Food and beverage cans are standardized products, allowing for relatively little differentiation among competitors. This could lead to overcapacity and price competition among food and beverage can producers, if capacity growth outpaced the growth in demand for food and beverage cans and overall manufacturing capacity exceeded demand. These market conditions could reduce product prices and contribute to declining revenue and net income and increasing debt balances. As a result of industry overcapacity and price competition, Crown may not be able to increase prices sufficiently to offset higher costs or to generate sufficient cash flow. The North American food and beverage can market, in particular, is considered to be a mature market, characterized by slow growth and a sophisticated distribution system.

Competitive pricing pressures, overcapacity, the failure to develop new product designs and technologies for products, as well as other factors could cause Crown to lose existing business or opportunities to generate new business and could result in decreased cash flow and net income.

***Crown is subject to competition from substitute products and decreases in demand for its products, which could result in lower profits and reduced cash flows.***

Crown is subject to substantial competition from producers of alternative packaging made from glass, paper, flexible materials and plastic. Crown's sales depend heavily on the volumes of sales by Crown's customers in the food and beverage markets. Changes in preferences for products and packaging by consumers of prepackaged food and beverage cans significantly influence Crown's sales. Changes in packaging by

Crown's customers may require Crown to re-tool manufacturing operations, which could require material expenditures. In addition, a decrease in the costs of, or a further increase in consumer demand for, alternative packaging could result in lower profits and reduced cash flows for Crown. For example, increases in the price of aluminum and steel and decreases in the price of plastic resin, which is a petrochemical product and may fluctuate with prices in the oil and gas market, may increase substitution of plastic food and beverage containers for metal containers or increases in the price of steel may increase substitution of aluminum packaging for aerosol products. Moreover, due to its high percentage of fixed costs, Crown may be unable to maintain its gross margin at past levels if it is not able to achieve high capacity utilization rates for its production equipment. In periods of low world-wide demand for its products, Crown experiences relatively low capacity utilization rates in its operations, which can lead to reduced margins during that period and can have an adverse effect on Crown's business.

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### ***The loss of a major customer and/or customer consolidation could reduce Crown's net sales and profitability.***

Many of Crown's largest customers have acquired companies with similar or complementary product lines. This consolidation has increased the concentration of Crown's business with its largest customers. In many cases, such consolidation has been accompanied by pressure from customers for lower prices, reflecting the increase in the total volume of product purchased or the elimination of a price differential between the acquiring customer and the company acquired. Increased pricing pressures from Crown's customers may reduce Crown's net sales and net income.

The majority of Crown's sales are to companies that have leading market positions in the sale of packaged food, beverages and household products to consumers. Although no one customer accounted for more than 10% of its net sales in 2010, 2009 or 2008, the loss of any of its major customers, a reduction in the purchasing levels of these customers or an adverse change in the terms of supply agreements with these customers could reduce Crown's net sales and net income. A continued consolidation of Crown's customers could exacerbate any such loss.

### ***Crown's business is seasonal and weather conditions could reduce Crown's net sales.***

Crown manufactures packaging primarily for the food and beverage can market. Its sales can be affected by weather conditions. Due principally to the seasonal nature of the soft drink, brewing, iced tea and other beverage industries, in which demand is stronger during the summer months, sales of Crown's products have varied and are expected to vary by quarter. Shipments in the U.S. and Europe are typically greater in the second and third quarters of the year. Unseasonably cool weather can reduce consumer demand for certain beverages packaged in its containers. In addition, poor weather conditions that reduce crop yields of packaged foods can decrease customer demand for its food containers.

### ***Crown is subject to costs and liabilities related to stringent environmental and health and safety standards.***

Laws and regulations relating to environmental protection and health and safety may increase Crown's costs of operating and reduce its profitability. Crown's operations are subject to numerous U.S. federal and state and non-U.S. laws and regulations governing the protection of the environment, including those relating to treatment, storage and disposal of waste, the use of chemicals in the Company's products and manufacturing process, discharges into water, emissions into the atmosphere, remediation of soil and groundwater contamination and protection of employee health and safety. Future regulations may impose stricter environmental requirements affecting Crown's operations or may impose additional requirements regarding consumer health and safety, such as potential restrictions on the use of bisphenol-A, which is used in the lining of food and beverage cans. Although the U.S. FDA currently permits the use of bisphenol-A in food packaging materials and confirmed in a January 2010 update that studies employing standardized toxicity tests have supported the safety of current low levels of human exposure to bisphenol-A, the FDA in that January 2010 update noted that exposure to the chemical is of some concern for infants and children and more research was needed, and further suggested reasonable steps to reduce exposure to bisphenol-A. The U.S. EPA recently issued an action plan for bisphenol-A, which includes, among other things, consideration of whether to add bisphenol-A to the chemical concern list on the basis of potential environmental effects and use of the EPA's Design for the Environment program to encourage reductions in bisphenol-A manufacturing and use. Moreover, certain U.S. Congressional bodies, states and municipalities, as well as certain foreign nations and the European Union, have considered, proposed or already passed legislation banning the use of bisphenol-A in certain products or requiring warnings regarding bisphenol-A. Further, the U.S. or additional international, federal, state or other regulatory authorities could prohibit the use of bisphenol-A in the future. In addition, recent public reports and allegations regarding the potential health hazards of bisphenol-A could contribute to a perceived safety risk about Crown's products and adversely impact sales or otherwise disrupt Crown's business. While Crown is exploring various alternatives to the use of bisphenol-A, there can be no assurance Crown will be successful in its efforts or that the alternative will not be more costly to Crown.

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Also, for example, future restrictions in some jurisdictions on air emissions of volatile organic compounds and the use of certain paint and lacquering ingredients may require Crown to employ additional control equipment or process modifications. Crown's operations and properties, both in the U.S. and abroad, must comply with these laws and regulations. In addition, a number of governmental authorities in the U.S. and abroad have introduced or are contemplating enacting legal requirements, including emissions limitations, cap and trade systems or mandated changes in energy consumption, in response to the potential impacts of climate change. Given the wide range of potential future climate change regulations in the jurisdictions in which Crown operates, the potential impact to Crown's operations is uncertain. In addition, the potential impact of climate change on Crown's operations is highly uncertain. The impact of climate change may vary by geographic location and other circumstances, including weather patterns and any impact to natural resources such as water.

A number of governmental authorities both in the U.S. and abroad also have enacted, or are considering, legal requirements relating to product stewardship, including mandating recycling, the use of recycled materials and/or limitations on certain kinds of packaging materials such as plastics. In addition, some companies with packaging needs have responded to such developments, and/or to perceived environmental concerns of consumers, by using containers made in whole or in part of recycled materials.

Such developments may reduce the demand for some of Crown's products, and/or increase its costs. See Management's Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources Environmental Matters in Crown's Annual Report on Form 10-K for the year ended December 31, 2010, which is incorporated by reference in this prospectus.

***Crown has written down a significant amount of goodwill, and a further write down of goodwill would result in lower reported net income and a reduction of its net worth.***

During 2007, Crown recorded a charge of \$103 million to write down the value of goodwill in its European Closures reporting unit due to a decrease in projected operating results. Further impairment of Crown's goodwill would require additional write down of goodwill, which would reduce Crown's net income in the period of any such write down. At June 30, 2011, the carrying value of Crown's goodwill was approximately \$2.1 billion. Crown is required to evaluate goodwill reflected on its balance sheet at least annually, or when circumstances indicate a potential impairment. If it determines that the goodwill is impaired, Crown would be required to write off a portion or all of the goodwill.

***If Crown fails to retain key management and personnel, Crown may be unable to implement its business plan.***

Members of Crown's senior management have extensive industry experience, and it might be difficult to find new personnel with comparable experience. Because Crown's business is highly specialized, we believe that it would also be difficult to replace Crown's key technical personnel. Crown believes that its future success depends, in large part, on its experienced senior management team. Losing the services of key members of its management team could limit Crown's ability to implement its business plan. In addition, under Crown's unfunded Senior Executive Retirement Plan certain members of senior management are entitled to lump sum payments upon retirement or other termination of employment and a lump sum death benefit of five times the annual retirement benefit.

***A significant portion of Crown's workforce is unionized and labor disruptions could increase Crown's costs and prevent Crown from supplying its customers.***

A significant portion of Crown's workforce is unionized and a prolonged work stoppage or strike at any facility with unionized employees could increase its costs and prevent Crown from supplying its customers. In addition, upon the expiration of existing collective bargaining agreements, Crown may not reach new agreements without union action and any such new agreements may not be on terms satisfactory to Crown. Moreover, additional groups of currently non-unionized employees may seek union representation in the future. If Crown is unable to negotiate acceptable collective bargaining agreements, it may become subject to union-initiated work stoppages, including strikes. Additionally, the Employee Free Choice Act, which was passed in the U.S. House

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of Representatives in 2007, was reintroduced in the U.S. Congress in 2009. If reintroduced and enacted in its most recent form, the Employee Free Choice Act could make it significantly easier for union organizing drives to be successful. The Employee Free Choice Act could also give third-party arbitrators the ability to impose terms, which may be harmful to Crown, of collective bargaining agreements upon Crown and a labor union if Crown and such union are unable to agree to the terms of an initial collective bargaining agreement and could increase the penalties Crown may incur if it engages in labor practices in violation of the National Labor Relations Act.

### ***Failure by Crown's joint venture partners to observe their obligations could adversely affect the business and operations of the joint ventures and, in turn, the business and operations of Crown.***

A portion of Crown's operations, including certain joint venture beverage can operations in Asia, the Middle East and South America, is conducted through certain joint ventures. Crown participates in these ventures with third parties. In the event that Crown's joint venture partners do not observe their obligations or are unable to commit additional capital to the joint ventures, it is possible that the affected joint venture would not be able to operate in accordance with its business plans or that Crown would have to increase its level of commitment to the joint venture.

### ***If Crown fails to maintain an effective system of internal control, Crown may not be able to accurately report financial results or prevent fraud.***

Effective internal controls are necessary to provide reliable financial reports and to assist in the effective prevention of fraud. Any inability to provide reliable financial reports or prevent fraud could harm Crown's business. Crown must annually evaluate its internal procedures to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, which requires management and auditors to assess the effectiveness of internal controls. If Crown fails to remedy or maintain the adequacy of its internal controls, as such standards are modified, supplemented or amended from time to time, Crown could be subject to regulatory scrutiny, civil or criminal penalties or shareholder litigation.

In addition, failure to maintain adequate internal controls could result in financial statements that do not accurately reflect Crown's financial condition. There can be no assurance that Crown will be able to complete the work necessary to fully comply with the requirements of the Sarbanes-Oxley Act or that Crown's management and external auditors will continue to conclude that Crown's internal controls are effective.

### ***Crown is subject to litigation risks which could negatively impact its operations and net income.***

Crown is subject to various lawsuits and claims with respect to matters such as governmental, environmental and employee benefits laws and regulations, securities, labor, and actions arising out of the normal course of business, in addition to asbestos-related litigation described under the risk factor titled "Pending and future asbestos litigation and payments to settle asbestos-related claims could reduce Crown's cash flow and negatively impact its financial condition." Crown is currently unable to determine the total expense or possible loss, if any, that may ultimately be incurred in the resolution of such legal proceedings. Regardless of the ultimate outcome of such legal proceedings, they could result in significant diversion of time by Crown's management. The results of Crown's pending legal proceedings, including any potential settlements, are uncertain and the outcome of these disputes may decrease its cash available for operations and investment, restrict its operations or otherwise negatively impact its business, operating results, financial condition and cash flow.

In August of 2010, the Spanish National Antitrust Commission issued a Proposal for Resolution (*Propuesta de Resolución*) alleging that Crown European Holdings and one of its subsidiaries violated Spanish and European competition law by coordinating certain commercial terms and exchanging information with competitors in Spain. The Proposal for Resolution does not constitute a decision on the merits and was replied to by Crown. In May 2011, the Antitrust Commission concluded that there was no violation and closed the investigation. There can be no assurance that the Antitrust Commission will not re-open its investigation against Crown's subsidiary in the event new facts or other circumstances justify a new investigation.

In July 2010, a subsidiary of Crown became aware of an investigation by the Netherlands Competition Authority in relation to competition law matters. In April 2011, the Netherlands Competition Authority

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terminated its investigation having found no evidence to support any charges against Crown's subsidiary. There can be no assurance that the Netherlands Competition Authority will not re-open its investigation against Crown's subsidiary in the event new facts or other circumstances justify a new investigation.

Crown's Italian subsidiaries have received or expect to receive assessments for value added taxes and related income taxes from the Italian tax authorities resulting from certain third party suppliers' failures to remit required value added tax payments due by those suppliers under Italian law with respect to purchases for resale to Crown. The assessments cover tax periods 2004 and 2005 and additional assessments are expected to cover periods 2006 through 2009. The expected total assessments resulting from these third party suppliers failing to remit the tax payments are approximately 40 million (\$58 million at June 30, 2011) plus any applicable interest and penalties. Crown intends to dispute these assessments and believes that, if necessary, it should be able to successfully demonstrate in the Italian courts that it has no additional liability for the asserted taxes. While Crown intends to dispute the assessments, there can be no assurance that it will be successful in such disputes or regarding the final amount of additional taxes, if any, payable to the Italian tax authorities.

### ***The recent global credit and financial crisis could have adverse effects on Crown.***

The recent global credit and financial crisis could have significant adverse effects on Crown's operations, including as a result of any the following:

downturns in the business or financial condition of any of Crown's key customers or suppliers, potentially resulting in customers' inability to pay Crown's invoices as they become due or at all;

potential losses associated with hedging activity by Crown for the benefit of Crown's customers, or cost impacts of changing suppliers;

a fall in the fair value of Crown's pension assets, potentially requiring Crown to make significant additional contributions to its pension plans to meet prescribed funding levels;

the deterioration of any of the lending parties under Crown's senior secured revolving credit facilities or the creditworthiness of the counterparties to Crown's derivative transactions, which could result in such parties' failure to satisfy their obligations under their arrangements with Crown;

noncompliance with the covenants under Crown's indebtedness as a result of a weakening of Crown's financial position or results of operations; and

the lack of currently available funding sources, which could have a negative impact upon the liquidity of Crown as well as that of its customers and suppliers.

### ***Crown relies on its information technology and the failure or disruption of its information technology could disrupt its operations and adversely affect its results of operations.***

Crown's business increasingly relies on the successful and uninterrupted functioning of its information technology systems to process, transmit, and store electronic information. A significant portion of the communication between Crown's personnel, customers, and suppliers depends on information technology. As with all large systems, Crown's information technology systems could fail on their own accord or may be vulnerable to a variety of interruptions due to events beyond Crown's control, including, but not limited to, natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers or other security issues.

The concentration of processes in shared services centers means that any disruption could impact a large portion of Crown's business within the operating zones served by the affected service center. If Crown does not allocate, and effectively manage, the resources necessary to build,

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sustain and protect the proper technology infrastructure, Crown could be subject to transaction errors, processing inefficiencies, loss of customers, business disruptions, the loss of or damage to intellectual property through security breach, as well as potential civil liability and fines under various laws of the states where Crown does business. Crown's information technology system could also be penetrated by outside parties intent on extracting information, corrupting information or disrupting business processes. Failure or disruption of these systems, or the back-up systems, for any reason could disrupt Crown's operations and negatively impact Crown's cash flows or financial condition.



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***Potential U.S. tax law changes could increase Crown's U.S. tax expense on its overseas earnings which could have a negative impact on its after-tax income and cash flow.***

President Obama's Budget of the United States Government for 2012 indicates that legislative proposals may be made to reform the deferral of U.S. taxes on non-U.S. earnings, potentially significantly changing the timing and extent of taxation on Crown's unrepatriated non-U.S. earnings. These reforms include, among other items, a proposal to further limit foreign tax credits and a proposal to defer interest expense deductions allocable to non-U.S. earnings until earnings are repatriated. The proposal to defer interest expense deductions could result in Crown not being able to currently deduct a significant portion of its interest expense. The proposal to defer tax deductions allocable to unrepatriated non-U.S. earnings has been set out in various draft Congressional legislative proposals in recent years which were not enacted, and at this juncture it is unclear whether these proposed tax revisions will be enacted, or, if enacted, what the precise scope of the revisions will be. However, depending on their content, such proposals could have a material adverse effect on Crown's after-tax income and cash flow.

***Changes in accounting standards, taxation requirements and other law could negatively affect Crown's financial results.***

New accounting standards or pronouncements that may become applicable to Crown from time to time, or changes in the interpretation of existing standards and pronouncements, could have a significant effect on Crown's reported results for the affected periods. Crown is also subject to income tax in the numerous jurisdictions in which Crown operates. Increases in income tax rates or other changes to tax laws could reduce Crown's after-tax income from affected jurisdictions or otherwise affect Crown's tax liability. In addition, Crown's products are subject to import and excise duties and/or sales or value-added taxes in many jurisdictions in which it operates. Increases in indirect taxes could affect the affordability of Crown's products and therefore reduce demand for its products.

***Crown may experience significant negative effects to its business as a result of new federal, state or local taxes, increases to current taxes or other governmental regulations specifically targeted to decrease the consumption of certain types of beverages.***

Public health officials and government officials have become increasingly concerned about the public health consequences associated with over-consumption of certain types of beverages, such as sugar beverages and including those sold by certain of our significant customers. Possible new federal, state or local taxes, increases to current taxes or other governmental regulations specifically targeted to decrease the consumption of these beverages may significantly reduce demand for the beverages of Crown's customers, which could in turn affect demand of Crown's customers for Crown's products. For example, members of the U.S. Congress recently raised the possibility of a federal tax on the sale of certain beverages, including non-diet soft drinks, fruit drinks, teas and flavored waters. Some state governments are also considering similar taxes. If enacted, such taxes could materially adversely affect Crown's business and financial results.

***The loss of Crown's intellectual property rights may negatively impact its ability to compete.***

If Crown is unable to maintain the proprietary nature of its technologies, its competitors may use its technologies to compete with it. Crown has a number of patents covering various aspects of its products, including its SuperEnd® beverage can end, whose primary patent expires in 2016, Easylift full aperture steel food can ends, PeelSeam flexible lidding and Ideal product line. Crown's patents may not withstand challenge in litigation, and patents do not ensure that competitors will not develop competing products or infringe upon Crown's patents. Moreover, the costs of litigation to defend Crown's patents could be substantial and may outweigh the benefits of enforcing its rights under its patents. Crown markets its products internationally and the patent laws of foreign countries may offer less protection than the patent laws of the United States. Not all of Crown's domestic patents have been registered in other countries. Crown also relies on trade secrets, know-how and other unpatented proprietary technology, and others may independently develop the same or similar technology or otherwise obtain access to Crown's unpatented technology. In addition, Crown has from time to time received letters from third parties suggesting that it may be infringing on their intellectual property rights, and third parties may bring infringement suits against Crown, which could result in Crown needing to seek licenses from these third parties or refraining altogether from use of the claimed technology.

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### **FORWARD-LOOKING STATEMENTS**

Statements in this prospectus, which are not historical facts (including any statements concerning plans and objectives of management for future operations or economic performance, or assumptions related thereto), are forward-looking statements within the meaning of the federal securities laws. In addition, Crown and its representatives may from time to time make other oral or written statements which are also forward-looking statements. Forward-looking statements can be identified by words, such as believes, estimates, anticipates, expects and other words of similar meaning in connection with a discussion of future operating or financial performance. These may include, among others, statements relating to (i) Crown's plans or objectives for future operations, products or financial performance, (ii) Crown's indebtedness and other contractual obligations, (iii) the impact of an economic downturn or growth in particular regions, (iv) anticipated uses of cash, (v) cost reduction efforts and expected savings, (vi) Crown's policies with respect to executive compensation and (vii) the expected outcome of contingencies, including with respect to asbestos-related litigation and pension and postretirement liabilities.

These forward-looking statements are made based upon management's expectations and beliefs concerning future events impacting Crown and, therefore, involve a number of risks and uncertainties. Management cautions that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements.

Important factors that could cause the actual results of operations or financial condition of Crown to differ include, but are not necessarily limited to: the ability of Crown to repay, refinance or restructure its short and long-term indebtedness on adequate terms and to comply with the terms of its agreements relating to debt; Crown's ability to generate significant cash to meet its obligations and invest in its business and to maintain appropriate debt levels; restrictions on Crown's use of available cash under its debt agreements; changes or differences in U.S. or international economic or political conditions, such as inflation or fluctuations in interest or foreign exchange rates (and the effectiveness of any currency or interest rate hedges), tax rates and tax laws (including with respect to taxation of unrepatriated non-U.S. earnings or as a result of the depletion of net loss carryforwards); the impact of health care reform in the United States; the collectibility of receivables; war or acts of terrorism that may disrupt Crown's production or the supply or pricing of raw materials, including in Crown's Middle East operations, impact the financial condition of customers or adversely affect Crown's ability to refinance or restructure its remaining indebtedness; changes in the availability and pricing of raw materials (including aluminum can sheet, steel tinplate, energy, water, inks and coatings) and Crown's ability to pass raw material, energy and freight price increases and surcharges through to its customers or to otherwise manage these commodity pricing risks; Crown's ability to obtain and maintain adequate pricing for its products, including the impact on Crown's revenue, margins and market share and the ongoing impact of price increases; energy and natural resource costs; the cost and other effects of legal and administrative cases and proceedings, settlements and investigations; the outcome of asbestos-related litigation (including the number and size of future claims and the terms of settlements, and the impact of bankruptcy filings by other companies with asbestos-related liabilities, any of which could increase Crown Cork's asbestos-related costs over time, the adequacy of reserves established for asbestos-related liabilities, Crown Cork's ability to obtain resolution without payment of asbestos-related claims by persons alleging first exposure to asbestos after 1964, and the impact of state legislation dealing with asbestos liabilities and any litigation challenging that legislation and any future state or federal legislation dealing with asbestos liabilities); Crown's ability to realize deferred tax benefits; changes in Crown's critical or other accounting policies or the assumptions underlying those policies; labor relations and workforce and social costs, including Crown's pension and postretirement obligations and other employee or retiree costs; investment performance of Crown's pension plans; costs and difficulties related to the acquisition of a business and integration of acquired businesses; the impact of any potential dispositions, acquisitions or other strategic realignments, which may impact Crown's operations, financial profile, investments or levels of indebtedness; Crown's ability to realize efficient capacity utilization and inventory levels and to innovate new designs and technologies for its products in a cost-effective manner; competitive pressures, including new product developments, industry overcapacity, including in developed and emerging markets, or changes in competitors

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pricing for products; Crown's ability to achieve high capacity utilization rates for its equipment; Crown's ability to maintain, develop and capitalize on competitive technologies for the design and manufacture of products and to withstand competitive and legal challenges to the proprietary nature of such technology; Crown's ability to generate sufficient production capacity; Crown's ability to improve and expand its existing products and product lines; loss of customers, including the loss of any significant customers; changes in consumer preferences for different packaging products; the financial condition of Crown's vendors and customers; weather conditions, including their effect on demand for beverages and on crop yields for fruits and vegetables stored in food containers; changes in governmental regulations or enforcement practices, including with respect to environmental, health and safety matters and restrictions as to foreign investment or operation; the impact of increased governmental regulation on Crown and its products, including the regulation or restriction of the use of bisphenol-A; the impact of Crown's initiative to generate additional cash, including the reduction of working capital levels and capital spending; the ability of Crown to realize cost savings from its restructuring programs; Crown's ability to maintain adequate sources of capital and liquidity; costs and payments to certain of Crown's executive officers in connection with any termination of such executive officers or a change in control of Crown; the impact of existing and future legislation regarding refundable mandatory deposit laws in Europe for non-refillable beverage containers and the implementation of an effective return system; and changes in Crown's strategic areas of focus, which may impact Crown's operations, financial profile or levels of indebtedness.

Some of the factors noted above are discussed elsewhere in this prospectus and in prior Crown filings with the Securities and Exchange Commission (SEC), including within Risk Factors in this prospectus. In addition, other factors have been or may be discussed from time to time in Crown's SEC filings.

While Crown periodically reassesses material trends and uncertainties affecting Crown's results of operations and financial condition in connection with the preparation of Management's Discussion and Analysis of Financial Condition and Results of Operations and certain other sections contained in Crown's quarterly, annual or other reports filed with the SEC, Crown does not intend to review or revise any particular forward-looking statement in light of future events.

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**USE OF PROCEEDS**

We will not receive any proceeds from this exchange offer. Because we are exchanging the new notes for the old notes, which have substantially identical terms, the issuance of the new notes will not result in any increase in our indebtedness. The exchange offer is intended to satisfy our obligations under the registration rights agreement.

Net proceeds from the offering of the old notes were approximately \$700 million, before deducting the initial purchasers' discount. These net proceeds were used (i) to retire all of Crown Americas and Crown Americas Capital Corp.'s \$600 million senior unsecured notes due 2015 and to pay redemption and tender premiums associated with repaying Crown Americas and Crown Americas Capital Corp.'s senior unsecured notes due 2015, (ii) for general corporate purposes, including the temporary repayment of amounts outstanding under Crown's senior secured revolving credit facilities, and (iii) for payment of related fees and expenses.

See Description of Certain Indebtedness.

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

		Year Ended December 31,				Six Months Ended June 30,	
	2006	2007	2008	2009	2010	2010	2011
Ratio of earnings to fixed charges	2.1x	1.6x	2.4x	2.7x	3.8x	4.0x	3.4x

The ratio of earnings to fixed charges was computed by dividing earnings by fixed charges. For purposes of computing the ratio of earnings to fixed charges, earnings consist of income before income taxes and equity earnings plus fixed charges, amortization of interest previously capitalized and distributed income from less-than-50%-owned companies. Fixed charges include interest incurred, amortization of debt issue costs and the portion of rental expense that is deemed representative of an interest factor. For purposes of the covenants in the indenture governing the new notes, the ratio of earnings to fixed charges is defined differently.

**Table of Contents****CAPITALIZATION**

The following table sets forth the consolidated cash and cash equivalents and capitalization of Crown as of June 30, 2011. You should read this table in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations, Description of Certain Indebtedness and Crown's audited consolidated financial statements, the related notes and the other financial information included elsewhere or incorporated by reference in this prospectus.

	(dollars in millions)
	June 30, 2011
Cash and cash equivalents	\$ 421
Debt:	
Senior secured credit facilities:	
Senior secured revolving credit facilities due 2015	410
Receivables securitization facilities	225
Senior secured term loan facilities due 2016	597
6 1/4% First priority senior secured notes due 2011(1)	121
7 5/8 % Senior notes due 2017(2)	400
7 1/8% Senior notes due 2018	725
6 1/4% Senior notes due 2021 offered to be exchanged hereby	700
Outstanding unsecured notes:	
Notes due 2026 through 2096	414
Capital lease obligations and other secured debt	32
Other unsecured indebtedness	252
Total debt	3,876
Noncontrolling interests	341
Crown Holdings shareholders' deficit	(70)
Total capitalization	\$ 4,147

- (1) On July 11, 2011, Crown redeemed all of the outstanding first priority senior secured notes. As a result, as of the date of this prospectus, none of the first priority senior secured notes remains outstanding.
- (2) Consists of \$400 million aggregate principal amount of senior notes. The notes were issued at a price of 97.092% of their face value, resulting in approximately \$388 million of gross proceeds. The \$12 million debt discount is amortized and included in interest expense until the notes mature.

**Table of Contents****SELECTED HISTORICAL FINANCIAL DATA**

The following table sets forth selected historical consolidated condensed financial data for Crown. The summary of operations data, balance sheet data and other financial data for each of the years in the three-year period ended December 31, 2010 have been derived from Crown's audited consolidated financial statements and the notes thereto. The summary of operations data, balance sheet data and other financial data for each of the six-month periods ended June 30, 2010 and 2011, respectively, have been derived from Crown's unaudited consolidated financial statements and the notes thereto. You should read the following financial information in conjunction with, and it is qualified by reference to, Management's Discussion and Analysis of Financial Condition and Results of Operations and Crown's consolidated financial statements, the related notes and the other financial information incorporated by reference in this prospectus.

	(dollars in millions)						
	Year Ended December 31,			Six Months Ended June 30,			
	2006	2007	2008	2009	2010	2010	2011
<b>Summary of Operations Data:</b>							
Net sales	\$ 6,982	\$ 7,727	\$ 8,305	\$ 7,938	\$ 7,941	\$ 3,787	\$ 4,163
Cost of products sold, excluding depreciation and amortization	5,867	6,468	6,885	6,551	6,519	3,114	3,415
Depreciation and amortization	227	229	216	194	172	88	85
Gross profit	888	1,030	1,204	1,193	1,250	585	663
Selling and administrative expense	316	385	396	381	360	174	202
Provision for asbestos	10	29	25	55	46		
Provision for restructuring	15	20	21	43	42	24	25
Asset impairments and sales	(64)	100	6	(6)	(18)	(7)	0
Loss from early extinguishments of debt			2	26	16	0	32
Interest expense	286	318	302	247	203	92	116
Interest income	(12)	(14)	(11)	(6)	(9)	(3)	(6)
Translation and exchange adjustments	2	(9)	21	(6)	(4)	(2)	1
Income before income taxes and equity earnings	335	201	442	459	614	307	293
Provision for/(benefit from) income taxes	(62)	(400)	112	7	165	96	95
Equity earnings/(loss) in affiliates				(2)	3		
Net income	397	601	330	450	452	211	198
Net income attributable to noncontrolling interests	(55)	(73)	(104)	(116)	(128)	(58)	(53)
Net income attributable to Crown Holdings	\$ 342	\$ 528	\$ 226	\$ 334	\$ 324	\$ 153	\$ 145

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(dollars in millions)							
	Year Ended		Year Ended		Year Ended		Six Months Ended
	December 31,		December 31,		December 31,		June 30,
	2006	2007	2008	2009	2010	2010	2011
<b>Other Financial Data:</b>							
Net cash flows provided by/(used for):							
Operating activities	\$ 355	\$ 509	\$ 422	\$ 756	\$ 590	\$ (194)	\$ (247)
Investing activities	(111)	(94)	(186)	(200)	(281)	(85)	(307)
Financing activities	(158)	(396)	(77)	(701)	(299)	256	494
Capital expenditures	191	156	174	180	320	104	184
Ratio of earnings to fixed charges (1)	2.1x	1.6x	2.4x	2.7x	3.8x	4.0x	3.4x
<b>Balance Sheet Data (at end of period):</b>							
Cash and cash equivalents	\$ 407	\$ 457	\$ 596	\$ 459	\$ 463	\$ 412	\$ 421
Working capital	157	151	385	317	272	614	889
Total assets	6,409	6,979	6,774	6,532	6,899	6,701	8,059
Total debt	3,541	3,437	3,337	2,798	3,048	2,979	3,876
Crown Holdings shareholders equity/(deficit)	(494)	15	(317)	(6)	(96)	105	(70)

- (1) For purposes of computing the ratio of earnings to fixed charges, earnings consist of income before income taxes plus fixed charges (exclusive of interest capitalized during the period), amortization of interest previously capitalized and distributed income from less-than-50%-owned companies. Fixed charges include interest incurred, amortization of debt issue costs and the portion of rental expense that is deemed representative of an interest factor. For purposes of the covenants in the indenture governing the notes, the ratio of earnings to fixed charges is defined differently.



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### DESCRIPTION OF CERTAIN INDEBTEDNESS

#### Credit Facilities

Set forth below is a summary of the terms of Crown's senior secured credit facilities. You should refer to Crown's senior secured credit facilities for all of the terms thereof, which are available upon request from Crown.

**Borrowers.** The borrowers under Crown's senior secured credit facilities are Crown Americas, Crown European Holdings, CROWN Metal Packaging Canada and certain subsidiaries of Crown European Holdings approved by the administrative agent.

**The Facilities.** Crown's senior secured credit facilities include senior secured revolving credit facilities that will mature on June 15, 2015 in an aggregate principal amount of up to \$1.2 billion, of which up to \$450 million is available to Crown Americas in U.S. dollars (the "U.S. Dollar Revolving Facility"), up to \$700 million is available, subject to certain sublimits, to Crown European Holdings and the subsidiary borrowers in euro and pound sterling (the "Euro Revolving Facility") and up to \$50 million is available, subject to certain sublimits, to Crown Metal Packaging Canada in Canadian dollars (the "Canadian Revolving Facility") and together with the U.S. Dollar Revolving Facility and the Euro Revolving Facility, the "Revolving Facility").

On June 9, 2011, Crown amended its senior secured credit facilities to add new senior secured term loan facilities that mature on June 15, 2016 in an aggregate principal amount of \$200 million (the "U.S. Dollar Term Loan Facility") and 274 million (\$397 million at June 30, 2011) (the "Euro Term Loan Facility") and, together with the U.S. Dollar Term Loan Facility, the "Term Loan Facilities"). Crown used the proceeds from the Term Loan Facilities to repay its prior outstanding term loans, which were scheduled to mature on November 15, 2012, to redeem its outstanding 6.25% first priority senior secured notes due 2011 and for general corporate purposes.

The Revolving Facility bears interest at LIBOR (or the Bankers' Acceptance Rate in the case of the New Canadian Revolving Facility) or an alternate base rate plus applicable margins subject to a grid. The Revolving Facility is also subject to a commitment fee of 0.50% per annum on the undrawn portion thereof.

The Term Loan Facilities bear interest at LIBOR or EURIBOR plus 1.75%, and the principal amount of the Term Loan Facilities will amortize 5% in 2013, 10% in 2014 and 15% in 2015, with the remainder being paid on the final maturity date of the Term Loan Facilities.

**Guarantees.** The Term Loan Facilities and the Revolving Facility are guaranteed by Crown, Crown's Canadian and UK subsidiaries and, with certain limited exceptions, each of the direct and indirect U.S. subsidiaries of Crown (existing or thereafter acquired or created), including Crown Cork (collectively, the "U.S. Credit Group"). The Euro Term Loan Facility, Canadian Revolving Facility, and Euro Revolving Facility are guaranteed by the U.S. Credit Group, certain parent entities of Crown European Holdings and certain subsidiaries of Crown European Holdings and Crown's Canadian and UK subsidiaries.

**Security.** The U.S. Dollar Term Loan Facility, the Revolving Facility and certain hedging and cash management obligations are secured by substantially all of the assets of the U.S. Credit Group (the "U.S. Collateral"); provided that the pledge of capital stock of first-tier non-U.S. subsidiaries of the U.S. Credit Group will be limited to 65% of such capital stock. The Euro Term Loan Facility, Canadian Revolving Facility and Euro Revolving Facility are secured by the U.S. Collateral and certain assets of the parent holding companies of Crown European Holdings, Crown European Holdings and certain of Crown European Holdings' subsidiaries.

Any liens or security interests on assets that constitute principal property or shares of capital stock or evidences of indebtedness for borrowed money issued by any Restricted Subsidiary under the indentures governing Crown's outstanding senior unsecured notes are limited to the maximum amount that would not trigger the obligation to equally and ratably secure such outstanding unsecured notes. See "Other Outstanding Unsecured Notes Limitations on Liens." In addition, exceptions are provided for receivables that support receivables financings permitted by Crown's senior secured credit facilities.

**Prepayments; Covenants; Events of Default.** Crown's senior secured credit facilities contain affirmative and negative covenants, financial covenants (including, without limitation, a maximum net leverage ratio and a minimum interest coverage ratio), representations and warranties and events of default customary for

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facilities of this type. In addition, the Term Loan Facilities contain mandatory prepayment provisions customary for facilities of this type. Crown's senior secured credit facilities also permit the borrowers to incur additional secured and unsecured debt (including additional first lien debt), subject to covenant compliance and other terms and conditions.

### **Outstanding Senior Unsecured Notes due 2017**

In May 2009, Crown Americas and Crown Americas Capital Corp. II, or Crown Americas Capital II, issued senior unsecured notes under an indenture among Crown Americas and Crown Americas Capital II, the guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee. Set forth below is a summary of the terms of the outstanding senior unsecured notes due 2017. You should refer to the indenture for all of the terms thereof, which is filed with the SEC as Exhibit 4.2 to Crown's Current Report on Form 8-K filed on May 11, 2009.

### ***Principal, Maturity and Interest***

The senior unsecured notes issued by Crown Americas and Crown Americas Capital II in 2009 will mature on May 15, 2017 and accrue interest at the rate of 7.625% per year. The aggregate principal amount of the senior unsecured notes due 2017 is \$400 million. Interest on the senior unsecured notes is payable semi-annually in arrears on each May 15 and November 15.

### ***Ranking and Guarantees***

The senior unsecured notes due 2017 are senior obligations of Crown Americas and Crown Americas Capital II, ranking senior in right of payment to all subordinated indebtedness of Crown Americas and Crown Americas Capital II.

The senior unsecured notes due 2017 are guaranteed on a senior basis by Crown and each of Crown's present and future U.S. subsidiaries (other than Crown Americas and Crown Americas Capital II and Crown Americas Capital) that from time to time are obligors under or guarantee Crown's senior secured credit facilities.

The senior unsecured notes due 2017 and note guarantees are senior unsecured obligations of Crown Americas and Crown Americas Capital II and the guarantors,

effectively ranking junior in right of payment to all existing and future secured indebtedness of Crown Americas and Crown Americas Capital II and the guarantors to the extent of the value of the assets securing such indebtedness, including any borrowings under Crown's senior secured credit facilities;

structurally subordinated to all indebtedness of Crown's non-guarantor subsidiaries which include all of Crown's foreign subsidiaries and any U.S. subsidiaries that are neither obligors nor guarantors of Crown's senior secured credit facilities;

ranking equal in right of payment to any existing or future senior unsecured indebtedness of Crown Americas and Crown Americas Capital II and the guarantors; and

ranking senior in right of payment to all existing and future subordinated indebtedness of Crown Americas and Crown Americas Capital II and the guarantors.

Upon the release of any senior unsecured note guarantor from its obligations under Crown's senior secured credit facilities, unless there is existing a default or event of default under the indenture governing the senior unsecured notes due 2017, the guarantee of such notes by such note guarantor will also be released.

### ***Optional Redemption***

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Crown Americas and Crown Americas Capital II may redeem some or all of the senior unsecured notes due 2017 at any time prior to May 15, 2013 by paying a make-whole premium, plus accrued and unpaid interest, if any, to the redemption date. Thereafter, Crown Americas and Crown Americas Capital II may redeem some or all of the senior unsecured notes due 2017 at the redemption prices set forth in the indenture, plus accrued and unpaid interest, if any, to the redemption date. At any time prior to May 15, 2012, Crown Americas and Crown Americas Capital II may use the net proceeds of certain equity offerings of capital stock of Crown

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that are contributed to the common equity capital or are used to subscribe for qualified capital stock of Crown to redeem up to 35% of the principal amount of the senior unsecured notes due 2017 at a redemption price equal to 107.625% of their principal amount plus accrued and unpaid interest, if any, to the redemption date; provided that at least 65% of the aggregate principal amount of the senior unsecured notes due 2017 originally issued remain outstanding immediately after such redemption.

### ***Change of Control***

Upon a change of control of Crown, as defined under the indenture for senior unsecured notes due 2017, the holders of such notes will have the right to require Crown Americas and Crown Americas Capital II to repurchase all or part of such notes at a repurchase price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to the repurchase date.

### ***Certain Covenants***

The indenture governing the senior unsecured notes due 2017 limits, among other things, Crown's ability and the ability of its restricted subsidiaries (including Crown Americas and Crown Americas Capital II) to: incur additional debt and issue preferred stock; pay dividends or make other distributions, repurchase capital stock, repurchase subordinated debt and make certain investments; create liens and engage in sale and leaseback transactions; create restrictions on the payment of dividends and other amounts to Crown, Crown Americas or Crown Americas Capital II from restricted subsidiaries; sell assets or merge or consolidate with or into other companies; and engage in transactions with affiliates.

If at any time the senior unsecured notes due 2017 are rated investment grade by both Moody's Investors Service, Inc. and Standard & Poor's Ratings Services and no default or event of default has occurred and is continuing under the indenture governing such notes, Crown and its subsidiaries will no longer be subject to certain of these restrictions.

Such covenants are subject to certain other exceptions and limitations.

### **Outstanding Senior Unsecured Notes due 2018**

On July 28, 2010, Crown European Holdings SA ( "Crown European Holdings" ) issued senior unsecured notes under an indenture among Crown European Holdings, the guarantors named therein and The Bank of New York Mellon, as trustee. Set forth below is a summary of the terms of the outstanding senior unsecured notes due 2018. You should refer to the indenture for all of the terms thereof, which is filed with the SEC as Exhibit 4.1 to Crown's Current Report on Form 8-K filed on July 28, 2010.

### ***Principal, Maturity and Interest***

The senior unsecured notes issued by Crown European Holdings in July 2010 will mature on August 15, 2018 and accrue interest at the rate of 7.125% per year. The aggregate principal amount of the senior unsecured notes due 2018 is \$500 million (\$725 million at June 30, 2011). Interest on the senior unsecured notes is payable semi-annually in arrears on each February 15 and August 15.

### ***Ranking and Guarantees***

The senior unsecured notes due 2018 are senior obligations of Crown European Holdings, ranking senior in right of payment to all subordinated indebtedness of Crown European Holdings.

The senior unsecured notes due 2018 are guaranteed on a senior basis by (i) Crown and each of Crown's U.S., Canadian and UK restricted subsidiaries that from time to time are obligors under or guarantee Crown's senior secured credit facilities or that guarantee or otherwise become liable with respect to any other indebtedness of Crown, Crown European Holdings or another guarantor of the notes and (ii) each of Crown European Holdings' restricted subsidiaries that guarantee or otherwise become liable with respect to any indebtedness of Crown, Crown European Holdings or another guarantor or are otherwise obligors under Crown's senior secured credit facilities, unless the incurrence of such guarantee is prohibited by the laws of the jurisdiction of incorporation or formation of such restricted subsidiary.

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The senior unsecured notes due 2018 and note guarantees are senior unsecured obligations of Crown European Holdings and the guarantors,

ranking effectively junior in right of payment to all existing and future secured indebtedness of the issuer and the guarantors to the extent of the value of the assets securing such indebtedness, including any borrowings under Crown's senior secured credit facilities;

structurally subordinated to all indebtedness of Crown's non-guarantor subsidiaries;

ranking equal in right of payment to any existing or future senior unsecured indebtedness of Crown European Holdings and the guarantors; and

ranking senior in right of payment to all existing and future subordinated indebtedness of Crown European Holdings and the guarantors.

Upon the release of any note guarantor from each of its guarantee and other obligations which resulted in the requirement to guarantee the senior unsecured notes due 2018, unless there is existing a default or event of default under the indenture governing the senior unsecured notes due 2018, the guarantee of the senior unsecured notes due 2018 by such note guarantor will also be released.

### ***Optional Redemption***

Crown European Holdings may redeem some or all of the senior unsecured notes due 2018 at any time prior to August 15, 2014 by paying a make-whole premium, plus accrued and unpaid interest, if any, to the redemption date. Thereafter, Crown European Holdings may redeem some or all of the senior unsecured notes due 2018 at the redemption prices set forth in the indenture, plus accrued and unpaid interest, if any, to the redemption date. At any time prior to August 15, 2013, Crown European Holdings may use the net proceeds of certain equity offerings of capital stock of Crown that are contributed to the common equity capital or are used to subscribe for qualified capital stock of Crown to redeem up to 35% of the principal amount of the senior unsecured notes due 2018 at a redemption price equal to 107.125% of their principal amount plus accrued and unpaid interest, if any, to the redemption date; provided that at least 65% of the aggregate principal amount of the senior unsecured notes due 2018 originally issued remain outstanding immediately after such redemption.

### ***Change of Control***

If Crown or Crown European Holdings experiences a change of control, Crown European Holdings may be required to offer to purchase the senior unsecured notes due 2018 at a purchase price equal to 101% of the principal amount, plus accrued and unpaid interest, if any, to the repurchase date.

### ***Certain Covenants***

The indenture governing the senior unsecured notes contains covenants that limit the ability of Crown and the ability of its restricted subsidiaries (including Crown European Holdings) to, among other things: incur additional debt; pay dividends or make other distributions, repurchase capital stock, repurchase subordinated debt and make certain investments; create liens and engage in sale and leaseback transactions; create restrictions on the payment of dividends and other amounts to Crown or the Issuer from restricted subsidiaries; sell assets or merge or consolidate with or into other companies; and engage in transactions with affiliates.

If at any time the senior unsecured notes due 2018 are rated investment grade by both Moody's Investors Service, Inc. and Standard & Poor's Ratings Services and no default or event of default has occurred and is continuing under the indenture governing such notes, Crown and its subsidiaries will no longer be subject to certain of these restrictions.

Such covenants are subject to certain other exceptions and limitations.



**Table of Contents****Other Outstanding Unsecured Notes**

Crown Cork currently has two series of unsecured notes outstanding. The outstanding unsecured notes were issued under the indenture among Crown Cork, Crown Cork & Seal Finance PLC, Crown Cork & Seal Finance S.A. and The Bank of New York, as trustee, dated as of December 17, 1996, which is filed as Exhibit 4.1 to Crown Cork's Current Report on Form 8-K filed on December 17, 1996. You should refer to the indenture for all of the terms thereof.

The outstanding unsecured notes issued by Crown Cork have been guaranteed by Crown. The following table is a summary of the two series of unsecured notes outstanding as of the date of this prospectus.

**Outstanding**

<b>Principal</b>			
<b>Amount</b>			
<b>(in millions)</b>	<b>Interest Rate</b>	<b>Maturity</b>	<b>Redemption by Issuer</b>
\$ 350	7.375%	December 2026	Redeemable at a price equal to the greater of (i) 100% of the principal amount and (ii) the sum of the present values of the remaining scheduled payments thereon, plus accrued interest
\$ 64	7.50%	December 2096	Redeemable at a price equal to the greater of (i) 100% of the principal amount and (ii) the sum of the present values of the remaining scheduled payments thereon, plus accrued interest

The indenture under which the outstanding unsecured notes were issued provide certain protections for the holders of such outstanding unsecured notes. These protections restrict the ability of Crown to enter into certain transactions, such as mergers, consolidations, asset sales, sale and leaseback transactions and pledging of assets.

***Consolidation, Merger, Conveyance, Transfer or Lease***

Subject to certain exceptions, the indenture and agreements contain a restriction on the ability of Crown to undergo a consolidation or merger, or to transfer or lease substantially all of its properties and assets.

***Limitation on Sale and Leaseback***

Subject to certain exceptions, the indenture and agreements contain a covenant prohibiting Crown and certain restricted subsidiaries from selling any principal property to a person or entity and then subsequently entering into an arrangement with such person or entity that provides for the leasing by Crown or any of its restricted subsidiaries, as lessee, of such principal property. Principal property is defined in the indenture and agreements as any single manufacturing or processing plant or warehouse (excluding any equipment or personality located therein) located in the United States, other than any such plant or warehouse or portion thereof that Crown's board of directors reasonably determines is not of material importance to the business conducted by Crown and its subsidiaries as an entirety. In the indenture and agreements the definition of principal property includes property located outside the United States. The indenture and agreements define restricted subsidiary to mean any subsidiary that owns, operates or leases one or more principal properties.

***Limitations on Liens***

Subject to certain exceptions, the indenture and agreements contain a covenant restricting Crown and its restricted subsidiaries under such indentures or agreements from creating or assuming any mortgage, security interest, pledge or lien upon any principal property (as defined above) or any shares of capital stock or evidences of indebtedness for borrowed money issued by any such restricted subsidiary and owned by Crown or any such restricted subsidiary without concurrently providing that the outstanding unsecured notes shall be secured equally and ratably. The foregoing covenant shall not apply to the extent that the amount of indebtedness secured by liens on Crown's principal properties and Crown's restricted subsidiaries does not exceed 10% of its consolidated net tangible assets.

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### **Receivable Securitization Facilities**

On March 9, 2010, Crown entered into a North American receivables securitization facility with Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., Rabobank Nederland, New York Branch, as administrative agent for the purchasers and the owners thereto. Under its committed \$200 million North American facility, Crown sells receivables, on a revolving basis, to a wholly-owned, bankruptcy-remote subsidiary. The subsidiary was formed for the sole purpose of buying and selling receivables generated by Crown and, in turn, sells undivided percentage ownership interests in the pool of purchased receivables to a syndicate of financial institutions. Crown continues to service these receivables for a fee but does not retain any interest in the receivables sold. As of June 30, 2011, \$125 million of receivables were securitized under the North American facility. The North American facility matures in March 2013, and the interest rate applicable to borrowings under the facility is (1) LIBOR plus 1.75% per annum or (2) the alternative base rate plus 1.75% per annum. The North American facility contains customary covenants, including the requirement to perform under the contracts underlying the receivables, comply with the credit and collection policies and reporting requirements.

Crown has entered into a European receivables securitization facility with BNP Paribas. Under Crown's committed 120 million (\$174 million at June 30, 2011) European securitization facility, certain subsidiaries in the U.K. and France sell receivables to an entity formed in France for the sole purpose of buying receivables from the selling subsidiaries. The buying entity finances the purchase of receivables through the issuance of senior units to a company in which Crown does not retain any interest. The selling subsidiaries continue to service the receivables for a fee, but do not retain any interest in the receivables sold. As of June 30, 2011, 69 million (\$100 million at June 30, 2011) of receivables were securitized under the European facility. The European facility matures in November 2011 and the interest rate applicable to borrowings under the facility is EURIBOR plus 1.67% per annum.



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**THE EXCHANGE OFFER**

**Purpose and Effect of the Exchange Offer**

On January 31, 2011, we issued and sold the old notes to the initial purchasers without registration under the Securities Act pursuant to the exception set forth in Section 4(2) of the Securities Act. The initial purchasers of the old notes subsequently sold the old notes to qualified institutional buyers in reliance on Rule 144A and Regulation S under the Securities Act. Because the old notes are subject to transfer restrictions, we entered into a registration rights agreement under which we agreed to use our reasonable best efforts to:

prepare and file with the SEC the registration statement of which this prospectus is a part;

cause the registration statement to become effective;

complete the exchange offer by January 26, 2012; and

file a shelf registration statement for the resale of the old notes if we cannot effect an exchange offer within the time period listed above and in certain other circumstances.

The registration statement of which this prospectus is a part is intended to satisfy our exchange offer obligations under the registration rights agreement.

Under existing interpretations of the SEC, we believe that the new notes will be freely transferable by holders other than our affiliates after the exchange offer without further registration under the Securities Act if the holder of the new notes represents that:

it is acquiring the new notes in the ordinary course of its business;

it has no arrangement or understanding with any person to participate in the distribution of the new notes and is not participating in, and does not intend to participate in, the distribution of such new notes;

it is not an affiliate of us, as that term is interpreted by the SEC; and

it is not engaged in, and does not intend to engage in, a distribution of the new notes.

However, each broker-dealer that receives new notes for its own account in exchange for old notes, where such old notes were acquired by such broker-dealer as a result of market-making or other trading activities (a participating broker dealer) will have a prospectus delivery requirement with respect to resales of such new notes. The SEC has taken the position that participating broker-dealers may fulfill their prospectus delivery requirements with respect to the new notes (other than a resale of an unsold allotment from the original sale of the old notes) with this prospectus. Under the registration rights agreement, we are required to allow participating broker-dealers and other persons, if any, with similar prospectus delivery requirements to use this prospectus in connection with the resale of the new notes. See Plan of Distribution.

The form and terms of the new notes are substantially the same as the form and terms of the old notes, except that the new notes will be registered under the Securities Act; will not bear restrictive legends restricting their transfer under the Securities Act; will not be entitled to the registration rights that apply to the old notes; and will not contain provisions relating to increased interest rates in connection with the old notes under circumstances related to the timing of the exchange offer.

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The new notes will evidence the same debt as the old notes. The new notes will be issued under and entitled to the benefits of the same indenture that authorized the issuance of the old notes. For a description of the indenture, see Description of the Notes.

If we and the guarantors fail to meet certain specified deadlines under the registration rights agreement, we will be obligated to pay an increased interest rate on the old notes.

A copy of the registration rights agreement has been filed with the SEC as Exhibit 4.1 to Crown's Current Report on Form 8-K dated February 2, 2011 and is incorporated by reference as an exhibit to the registration statement of which this prospectus is a part.

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### **Terms of the Exchange Offer**

We are offering to exchange an aggregate principal amount of up to \$700 million of our new notes for a like amount of our old notes. The old notes must be tendered properly in accordance with the conditions set forth in this prospectus and the accompanying letter of transmittal on or prior to the expiration date and not withdrawn as permitted below. The exchange offer is not conditioned upon holders tendering a minimum principal amount of old notes. As of the date of this prospectus, all of the old notes are outstanding.

Old notes tendered in the exchange offer must be in denominations of the principal amount of \$2,000 and any integral multiple of \$1,000 in excess thereof.

Holders of the old notes do not have any appraisal or dissenters' rights in connection with the exchange offer. If you do not tender your old notes or if you tender old notes that we do not accept, your old notes will remain outstanding and continue to accrue interest and you will be entitled to the rights and benefits holders have under the indenture relating to the old notes and the new notes. Existing transfer restrictions would continue to apply to such old notes. See **Risk Factors** **Risks Related to the Exchange Offer**. If you fail to exchange your old notes for new notes your old notes will continue to be subject to restrictions on transfer and may become less liquid. For more information regarding old notes outstanding after the exchange offer.

None of us or the guarantors, or our respective boards of directors or management, recommends that you tender or not tender old notes in the exchange offer or has authorized anyone to make any recommendation. You must decide whether to tender in the exchange offer and, if you decide to tender, the aggregate amount of old notes to tender.

The expiration date is 5:00 p.m., New York City time, on November 7, 2011, or such later date and time to which the exchange offer is extended.

We have the right, in accordance with applicable law, at any time:

to delay the acceptance of the old notes;

to terminate the exchange offer and not accept any old notes for exchange if we determine that any of the conditions to the exchange offer have not occurred or have not been satisfied;

to extend the expiration date of the exchange offer and retain all old notes tendered in the exchange offer other than those notes properly withdrawn; and

to waive any condition or amend the terms of the exchange offer in any manner.

If we materially amend the exchange offer, we will as promptly as practicable distribute a prospectus supplement to the holders of the old notes disclosing the change and extend the exchange offer for a period of five to ten business days, depending upon the significance of the amendment and the manner of disclosure to the registered holders, if the exchange offer would otherwise expire during the five to ten business day period.

If we exercise any of the rights listed above, we will as promptly as practicable give oral or written notice of the action to the exchange agent and will make a public announcement of such action. In the case of an extension, an announcement will be made no later than 9:00 a.m., New York City time on the next business day after the previously scheduled expiration date. Without limiting the manner in which we may choose to make public announcements of any delay in acceptance, extension, termination or amendment of the exchange offer, we will have no obligation to publish, advertise, or otherwise communicate any public announcement, other than by making a timely release to a financial news service.

During an extension, all old notes previously tendered will remain subject to the exchange offer and may be accepted for exchange by us. Any old notes not accepted for exchange for any reason will be returned without cost to the holder that tendered them promptly after the expiration or termination of the exchange offer.

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We will accept all old notes validly tendered and not withdrawn. Promptly after the expiration date, we will issue new notes registered under the Securities Act to the exchange agent.

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The exchange agent might not deliver the new notes to all tendering holders at the same time. The timing of delivery depends upon when the exchange agent receives and processes the required documents.

We will be deemed to have exchanged old notes validly tendered and not withdrawn when we give oral or written notice to the exchange agent of our acceptance of the tendered old notes, with written confirmation of any oral notice to be given promptly thereafter. The exchange agent is our agent for receiving tenders of old notes, letters of transmittal and related documents.

In tendering old notes, you must warrant in the letter of transmittal or in an agent's message (described below) that:

you have full power and authority to tender, exchange, sell, assign and transfer old notes;

we will acquire good, marketable and unencumbered title to the tendered old notes, free and clear of all liens, restrictions, charges and other encumbrances; and

the old notes tendered for exchange are not subject to any adverse claims or proxies.

You also must warrant and agree that you will, upon request, execute and deliver any additional documents requested by us or the exchange agent to complete the exchange, sale, assignment and transfer of the old notes.

Additionally, each broker-dealer that receives new notes for its own account in exchange for old notes, where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. See Plan of Distribution.

## **Procedures for Tendering Old Notes**

### ***Valid Tender***

We have forwarded to you, along with this prospectus, a letter of transmittal relating to this exchange offer. The letter of transmittal is to be completed by a holder of old notes either if (1) a tender of old notes is to be made by delivering physical certificates for such old notes to the exchange agent or (2) a tender of old notes is to be made by book-entry transfer to the account of the exchange agent at DTC.

Only a holder of record of old notes may tender old notes in the exchange offer. To tender in the exchange offer, a holder must comply with the procedures of DTC and:

complete, sign and date the letter of transmittal, or a facsimile of the letter of transmittal; have the signature on the letter of transmittal guaranteed if the letter of transmittal so requires; and deliver the letter of transmittal or facsimile to the exchange agent prior to the expiration date; or

in lieu of delivering a letter of transmittal, instruct DTC to transmit on behalf of the holder a computer-generated message to the exchange agent in which the holder of the old notes acknowledges and agrees to be bound by the terms of, and to make all of the representations contained in, the letter of transmittal, which computer-generated message shall be received by the exchange agent prior to 5:00 p.m., New York City time, on the expiration date or such other internal deadline set by DTC as the case may be.

In addition, either:

the exchange agent must receive old notes along with the letter of transmittal; or

the exchange agent must receive, before expiration of the exchange offer, timely confirmation of book-entry transfer of such old notes into the exchange agent's account at DTC, according to the procedure for book-entry transfer described below.

To be tendered effectively, the exchange agent must receive any physical delivery of the letter of transmittal and other required documents at the address set forth below under the caption "Exchange Agent" before expiration of the exchange offer. To receive confirmation of valid tender of old notes, a holder should contact the exchange agent at the telephone number listed under the caption "Exchange Agent."

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The tender by a holder that is accepted by us and not withdrawn before expiration of the exchange offer will constitute a binding agreement between that holder and us in accordance with the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal. Only a registered holder of old notes may tender the old notes in the exchange offer. If you tender fewer than all of your old notes, you should fill in the amount of notes tendered in the appropriate box on the letter of transmittal. The amount of old notes delivered to the exchange agent will be deemed to have been tendered unless otherwise indicated.

The method of delivery of the certificates for the old notes, the letter of transmittal and all other required documents is at the election and sole risk of the holders. If delivery is by mail, we recommend registered mail with return receipt requested, properly insured, or overnight delivery service. In all cases, you should allow sufficient time to assure timely delivery. No letters of transmittal or old notes should be sent directly to Crown. Delivery is complete when the exchange agent actually receives the items to be delivered. Delivery of documents to DTC in accordance with its procedures does not constitute delivery to the exchange agent.

If you beneficially own old notes and those notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee or custodian and you wish to tender your old notes in the exchange offer, you should contact the registered holder as soon as possible and instruct it to tender the old notes on your behalf and comply with the instructions set forth in this prospectus and the letter of transmittal.

If the applicable letter of transmittal is signed by the record holder(s) of the old notes tendered, the signature must correspond with the name(s) written on the face of the old note without alteration, enlargement or any change whatsoever. If the applicable letter of transmittal is signed by a participant in DTC, the signature must correspond with the name as it appears on the security position listing as the holder of the old notes.

If any letter of transmittal, endorsement, bond power, power of attorney, or any other document required by the letter of transmittal is signed by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, that person must indicate such capacity when signing. In addition, unless waived by us, the person must submit proper evidence satisfactory to us, in our sole discretion, of his or her authority to so act.

Holders should receive copies of the letter of transmittal with the prospectus. A holder may obtain additional copies of the letter of transmittal for the old notes from the exchange agent at its offices listed under the caption **Exchange Agent**.

## ***Signature Guarantees***

Signatures on a letter of transmittal or a notice of withdrawal, as the case may be, must be guaranteed by an eligible institution unless the old notes surrendered for exchange are tendered:

by a registered holder of old notes who has not completed the box entitled **Special Issuance Instructions** or **Special Delivery Instructions** on the letter of transmittal; or

for the account of an eligible institution.

An **eligible institution** is a firm or other entity which is identified as an **Eligible Guarantor Institution** in Rule 17Ad-15 under the Exchange Act, including:

a bank;

a broker, dealer, municipal securities broker or dealer or government securities broker or dealer;

a credit union;

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a national securities exchange, registered securities association or clearing agency; or

a savings association.

If old notes are registered in the name of a person other than the signer of the letter of transmittal, the old notes surrendered for exchange must be endorsed or accompanied by a written instrument or instruments of transfer or exchange, in satisfactory form as determined by us in our sole discretion, duly executed by the registered holder with the holder's signature guaranteed by an eligible institution.



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### ***DTC Book-Entry Transfers***

For tenders by book-entry transfer of old notes cleared through DTC, the exchange agent will make a request to establish an account at DTC for purposes of the exchange offer. Any financial institution that is a DTC participant may make book-entry delivery of old notes by causing DTC to transfer the old notes into the exchange agent's account at DTC in accordance with DTC's procedures for transfer. The exchange agent and DTC have confirmed that any financial institution that is a participant in DTC may use the Automated Tender Offer Program, or ATOP, procedures to tender old notes. Accordingly, any participant in DTC may make book-entry delivery of old notes by causing DTC to transfer those old notes into the exchange agent's account in accordance with its ATOP procedures for transfer.

Notwithstanding the ability of holders of old notes to effect delivery of old notes through book-entry transfer at DTC, the letter of transmittal or a facsimile thereof, or an agent's message in lieu of the letter of transmittal, with any required signature guarantees and any other required documents must be transmitted to and received by the exchange agent prior to the expiration date at the address given below under Exchange Agent. In this context, the term agent's message means a message, transmitted by DTC and received by the exchange agent and forming part of a book-entry confirmation, which states that DTC has received an express acknowledgment from a participant tendering old notes that are the subject of the book-entry confirmation that the participant has received and agrees to be bound by the terms of the letter of transmittal, and that we may enforce that agreement against the participant.

### **Determination of Validity**

We will resolve all questions regarding the form of documents, validity, eligibility, including time of receipt, and acceptance for exchange and withdrawal of any tendered old notes. Our determination of these questions as well as our interpretation of the terms and conditions of the exchange offer, including the letter of transmittal, will be final and binding on all parties. A tender of old notes is invalid until all defects and irregularities have been cured or waived. Holders must cure any defects and irregularities in connection with tenders of old notes for exchange within such reasonable period of time as we will determine, unless we waive the defects or irregularities. Neither us, any of our affiliates or assigns, the exchange agent nor any other person is under any obligation to give notice of any defects or irregularities in tenders nor will we or they be liable for failing to give any such notice.

We reserve the absolute right, in our sole and absolute discretion:

to reject any tenders determined to be in improper form or unlawful;

to waive any of the conditions of the exchange offer; and

to waive any condition or irregularity in the tender of old notes by any holder.

Any waiver to the exchange offer will apply to all old notes tendered.

### **Resales of New Notes**

Based on existing SEC interpretations issued to third parties in unrelated transactions, we believe that the new notes will be freely transferable by holders other than affiliates of us after the registered exchange offer without further registration under the Securities Act if the holder of the exchange notes is acquiring the new notes in the ordinary course of its business, has no arrangement or understanding with any person to participate in the distribution of the new notes and is not an affiliate of us, as such terms are interpreted by the SEC; provided that broker-dealers receiving new notes in the exchange offer will have a prospectus delivery requirement with respect to resales of such new notes. While the SEC has not taken a position with respect to this particular transaction, under existing SEC interpretations relating to transactions structured substantially like the exchange offer, participating broker-dealers may fulfill their prospectus delivery requirements with respect to exchange notes (other than a resale of an unsold allotment of the notes) with the prospectus contained in the exchange offer registration statement. We will not seek our own interpretive letter. As a result, we cannot assure you that the staff will take the same position on this exchange offer as it did in interpretive letters to other parties in similar transactions.



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By tendering old notes, the holder, other than participating broker-dealers, as defined below, of those old notes will represent to us that, among other things:

the new notes acquired in the exchange offer are being obtained in the ordinary course of business of the person receiving the new notes, whether or not that person is the holder;

neither the holder nor any other person receiving the new notes is engaged in, intends to engage in or has an arrangement or understanding with any person to participate in a distribution (as defined under the Securities Act) of the new notes; and

neither the holder nor any other person receiving the new notes is an affiliate (as defined under the Securities Act) of us. If any holder or any such other person is an affiliate of us or is engaged in, intends to engage in or has an arrangement or understanding with any person to participate in a distribution of the new notes, such holder or other person:

may not rely on the applicable interpretations of the staff of the SEC referred to above; and

must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction.

Each broker-dealer that receives new notes for its own account in exchange for old notes must represent that the old notes to be exchanged for the new notes were acquired by it as a result of market-making activities or other trading activities and acknowledge that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any offer to resell, resale or other retransfer of the new notes. Any such broker-dealer is referred to as a participating broker-dealer. However, by so acknowledging and by delivering a prospectus, the participating broker-dealer will not be deemed to admit that it is an underwriter (as defined under the Securities Act). If a broker-dealer acquired old notes as a result of market-making or other trading activities, it may use this prospectus, as amended or supplemented, in connection with offers to resell, resales or retransfers of new notes received in exchange for the old notes pursuant to the exchange offer. We have agreed that, starting on the expiration date of the exchange offer and ending on the close of business one year after the expiration date, we will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution for a discussion of the exchange and resale obligations of broker-dealers in connection with the exchange offer.

## **Withdrawal Rights**

You can withdraw tenders of old notes at any time prior to 5:00 p.m., New York City time, on the expiration date.

For a withdrawal to be effective, you must deliver a written notice of withdrawal to the exchange agent. The notice of withdrawal must:

specify the name of the person tendering the old notes to be withdrawn;

identify the old notes to be withdrawn, including the total principal amount of old notes to be withdrawn; and

where certificates for old notes are transmitted, the name of the registered holder of the old notes if different from the person withdrawing the old notes.

If you delivered or otherwise identified old notes to the exchange agent, you must submit the serial numbers of the old notes to be withdrawn and the signature on the notice of withdrawal must be guaranteed by an eligible institution, except in the case of old notes tendered for the account of an eligible institution. If you tendered old notes as a book-entry transfer, the notice of withdrawal must specify the name and number

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of the account at DTC to be credited with the withdrawn old notes and you must deliver the notice of withdrawal to the exchange agent and otherwise comply with the procedures of the facility. You may not rescind withdrawals of

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tender; however, properly withdrawn old notes may again be tendered by following one of the procedures described under      Procedures for Tendering Old Notes      above at any time prior to 5:00 p.m., New York City time, on the expiration date.

We will determine all questions regarding the form of withdrawal, validity, eligibility, including time of receipt, and acceptance of withdrawal notices. Our determination of these questions as well as our interpretation of the terms and conditions of the exchange offer (including the letter of transmittal) will be final and binding on all parties. Neither us, any of our affiliates or assigns, the exchange agent nor any other person is under any obligation to give notice of any irregularities in any notice of withdrawal, nor will we be liable for failing to give any such notice.

Withdrawn old notes will be returned to the holder after withdrawal. In the case of old notes tendered by book-entry transfer through DTC, the old notes withdrawn or not exchanged will be credited to an account maintained with DTC. Any old notes which have been tendered for exchange but which are not exchanged for any reason will be returned to the holder thereof without cost to the holder.

### **Conditions to the Exchange Offer**

Notwithstanding any other provision of the exchange offer, we are not required to accept for exchange, or to issue new notes in exchange for, any old notes, and we may terminate or amend the exchange offer, if at any time prior to 5:00 p.m., New York City time, on the expiration date, we determine that:

the new notes to be received will not be tradable by the holder without restriction under the Securities Act and the Exchange Act;

we have not received all applicable governmental approvals;

the exchange offer, or the making of any exchange by a holder of old notes, would violate applicable law or any applicable interpretation or policy of the staff of the SEC; or

any action or proceeding has been instituted or threatened in any court or by or before any governmental agency with respect to the exchange offer that would reasonably be expected to impair our ability to proceed with the exchange offer.

The foregoing conditions are for our sole benefit, and we may assert them regardless of the circumstances giving rise to any such condition, or we may waive the conditions, completely or partially, whenever or as many times as we choose, in our reasonable discretion. The foregoing rights are not deemed waived because we fail to exercise them, but continue in effect, and we may still assert them whenever or as many times as we choose. However, any such condition, other than any involving government approval, must be satisfied or waived before the expiration of the offer. If we determine that a waiver of conditions materially changes the exchange offer, the prospectus will be amended or supplemented, and the exchange offer extended, if appropriate, as described under      Terms of the Exchange Offer.

In addition, at a time when any stop order is threatened or in effect with respect to the registration statement of which this prospectus constitutes a part or with respect to the qualification of the indenture under the Trust Indenture Act of 1939, as amended, we will not accept for exchange any old notes tendered, and no new notes will be issued in exchange for any such old notes.

If we terminate or suspend the exchange offer based on a determination that the exchange offer violates applicable law or SEC policy, the registration rights agreements require that we, as soon as practicable after such determination, use all commercially reasonable efforts to cause a shelf registration statement covering the resale of the old notes to be filed and declared effective by the SEC. See      Registration Rights and Additional Interest on the Old Notes.

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### **Exchange Agent**

We appointed The Bank of New York Mellon Trust Company, N. A. as exchange agent for the exchange offer. You should direct questions and requests for assistance and for additional copies of this prospectus or of the letter of transmittal to the exchange agent at (212) 815-2742 or the following address:

By Mail, Overnight Courier or Hand:

The Bank of New York Mellon Trust Company, N.A.

c/o The Bank of New York Mellon

Corporate Trust Operations

Reorganization Unit

480 Washington Boulevard 27th Floor

Jersey City, NJ 07310

Attn: Diane Amoroso

Telephone: (212) 815-2742

Facsimile: (212) 298-1915

If you deliver letters of transmittal and any other required documents to an address or facsimile number other than those listed above, your tender is invalid.

### **Fees and Expenses**

Each of the registration rights agreements provides that we will bear all expenses in connection with the performance of our obligations relating to the registration of the new notes and the conduct of the exchange offer. These expenses include registration and filing fees, accounting and legal fees and printing costs, among others. We will pay the exchange agent reasonable and customary fees for its services and reasonable out-of-pocket expenses. We will also reimburse brokerage houses and other custodians, nominees and fiduciaries for customary mailing and handling expenses incurred by them in forwarding this prospectus and related documents to their clients that are holders of old notes and for handling or tendering for such clients.

We have not retained any dealer-manager in connection with the exchange offer and will not pay any fee or commission to any broker, dealer, nominee or other person, other than the exchange agent, for soliciting tenders of old notes pursuant to the exchange offer.

### **Transfer Taxes**

Holders who tender their old notes for exchange will not be obligated to pay any transfer taxes in connection with the exchange. If, however, new notes issued in the exchange offer are to be delivered to, or are to be issued in the name of, any person other than the holder of the old notes tendered, or if a transfer tax is imposed for any reason other than the exchange of old notes in connection with the exchange offer, then the holder must pay any such transfer taxes, whether imposed on the registered holder or on any other person.

### **Accounting Treatment**

The new notes will be recorded at the same carrying value as the old notes. Accordingly, Crown will not recognize any gain or loss for accounting purposes for the exchange transaction. Crown intends to amortize the expenses of the exchange offer and issuance of the old notes over the term of the new notes.

**Registration Rights and Additional Interest on the Old Notes**

If:

applicable interpretations of the staff of the SEC do not permit us to effect the exchange offer contemplated by this prospectus; or

for any other reason this exchange offer is not completed within 360 days after January 31, 2011 with respect to the old notes; or

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prior to the 20th day following consummation of this exchange offer:

the initial purchasers so request with respect to old notes not eligible to be exchanged for new notes in this exchange offer;

any holder of old notes notifies us that it is not eligible to participate in this exchange offer; or

an initial purchaser notifies us that it will not receive freely tradable new notes in exchange for old notes constituting any portion of an unsold allotment,  
we will, subject to certain conditions, at our cost:

as promptly as practicable but no later than the deadline provided for in the registration rights agreement, file a shelf registration statement covering resales of the old notes or the new notes, as the case may be;

use our reasonable best efforts to cause the shelf registration statement to be declared effective under the Securities Act no later than the deadline provided for in the registration rights agreement; and

keep the shelf registration statement effective until the earliest of (1) one year from the effective date of the shelf registration statement and (2) the date on which all notes registered thereunder are disposed of in accordance therewith.

If:

within 360 days after January 31, 2011 with respect to the old notes, this exchange offer has not been completed;

if required, the shelf registration statement has not been filed by the deadline provided for in the registration rights agreement or has not been declared effective by the deadline provided for in the registration rights agreement; or

after the shelf registration statement has been declared effective, such registration statement thereafter ceases to be effective or usable (subject to certain exceptions) in connection with resales of old notes or new notes in accordance with and during the periods specified in the registration rights agreement (each such event is referred to as a registration default)  
then additional interest will accrue on the old notes and the new notes (in addition to the stated interest on the old notes and the new notes) from and including the date on which any such registration default has occurred to but excluding the date on which all registration defaults have been cured. Additional interest will accrue at a rate of 0.25% per annum during the 90-day period immediately following the occurrence of any registration default and will increase by 0.25% per annum at the end of each subsequent 90-day period, but in no event will such rate exceed 1.00% per annum in the aggregate regardless of the number of registration defaults.



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**DESCRIPTION OF THE NOTES**

**General**

Crown Americas LLC ( *Crown Americas* ) and Crown Americas Capital Corp. III ( *Capital Corp. III* ) and together with Crown Americas, the *Issuers* ) issued the old notes and will issue the new notes (collectively, the *Notes* ) under an indenture (the *Indenture* ) dated as of January 31, 2011 among the Issuers, the Guarantors (as defined below) and The Bank of New York Mellon Trust Company, N.A., as trustee (the *Trustee* ).

For purposes of this Description of the Notes , references to *Crown Americas* are references to Crown Americas LLC and not any of its Subsidiaries. The definitions of certain other terms used in the following summary are set forth below under *Certain Definitions*.

The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (the *Trust Indenture Act* ). The Notes are subject to all such terms, and Holders of Notes are referred to the Indenture and the Trust Indenture Act for a statement thereof.

The terms of the new notes are the same as the terms of the old notes, except that:

the new notes will be registered under the Securities Act of 1933, as amended;

the new notes will not bear restrictive legends restricting their transfer under the Securities Act;

holders of the new notes are not entitled to certain rights under the registration rights agreement; and

the new notes will not contain provisions relating to increased interest rates in connection with the old notes under circumstances related to timing of the exchange offer.

The following is a summary of the material provisions of the Indenture. This summary is not necessarily complete and is qualified in its entirety by reference to the Indenture, including the definitions therein of certain terms used below. You should read the Indenture because it, and not this summary, will define your rights as a Holder of the Notes. A copy of the Indenture has been filed with the SEC as Exhibit 4.2 to Crown's Current Report on Form 8-K filed on February 2, 2011 and is incorporated by reference as an exhibit to the registration statement of which this prospectus is a part.

**Principal, Maturity and Interest**

In the exchange offer contemplated by this prospectus (the *Offering* ), the Issuers will issue \$700 million aggregate principal amount of Notes under the Indenture. The Issuers may issue additional Notes (the *Additional Notes* ) from time to time under the Indenture; *provided* that any issuance of Additional Notes must first comply with the requirements of the covenant described under *Certain Covenants* *Incurrence of Indebtedness and Issuance of Preferred Stock* below. However, no offering of any Additional Notes is being or shall in any manner be deemed to be made by this prospectus. The Notes and any Additional Notes of the same series issued under the same Indenture will be treated as a single class for all purposes under the Indenture.

The Notes will mature on February 1, 2021. Interest on the Notes will accrue at the rate of 6.250% per annum. Interest on the Notes will be payable in cash semi-annually in arrears on February 1 and August 1, commencing on August 1, 2011, to Holders of record on the immediately preceding January 15 and July 15. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the Issue Date. Interest will be computed on the basis of a 360-day year comprising twelve 30-day months, and in the case of an incomplete month, the number of days elapsed. The redemption price at final maturity for the Notes will be 100% of their principal amount.

Principal of and premium, if any, and interest on the Notes will be payable at the office or agency of the Issuers maintained for such purpose in the City and State of New York (the *Paying Agent* ) or, at the option of the Issuers, payment of interest may be made by check mailed to the

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Holders of the Notes at their respective addresses set forth in the register of Holders of Notes; *provided* that if any Holder has given wire transfer instructions to the Issuers or the Paying Agent at least 15 days prior to the payment date, all payments of principal, premium, if any, and interest with respect to the Notes held by such Holder will be made by wire

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transfer of immediately available funds to the account specified by such Holder. Until otherwise designated by the Issuers, the Issuers' office or agency in the City and State of New York will be the office of the Trustee maintained for such purpose in the City and State of New York. The Issuers may change the Paying Agent or Registrar without prior notice to the Holders, and Parent or any of the Restricted Subsidiaries may act as a Paying Agent or Registrar.

The Notes will be issued in denominations of \$2,000 and any integral multiple of \$1,000 in excess thereof.

### **Ranking and Guarantees**

The Notes will be joint and several senior obligations of the Issuers, ranking *pari passu* in right of payment with all other existing and future senior obligations of the Issuers, including obligations under other unsubordinated Indebtedness. The Notes will be effectively subordinated to all existing and future obligations of the Issuers that are secured by Liens on any property or assets of an Issuer, to the extent of the value of the collateral securing such obligations, and will rank senior in right of payment to all existing and future obligations of the Issuers that are, by their terms, subordinated in right of payment to the Notes.

The Issuers' joint and several obligations under the Notes and the Indenture will be fully and unconditionally Guaranteed, jointly and severally, by Parent and each of Parent's present and future Domestic Subsidiaries (other than the Issuers) that from time to time are obligors under or Guarantee any Credit Facility including, without limitation, the Existing Credit Facility.

The old notes are, and the new notes will be, Guaranteed by Parent and each of Parent's Domestic Subsidiaries, other than Crownway Insurance Company, Crown Cork & Seal Receivables (DE) Corporation, Crown Americas Capital Corp. and Crown Americas Capital Corp. II which will be Unrestricted Subsidiaries as of the Issue Date. The Notes will not be Guaranteed by any of Parent's Foreign Subsidiaries.

Each Note Guarantee will be a senior obligation of the respective Guarantor, ranking *pari passu* in right of payment with all other senior obligations of such Guarantor, including obligations under other unsubordinated Indebtedness. Each Note Guarantee will be effectively subordinated to all existing and future obligations incurred by such Guarantor secured by Liens on any property or assets of such Guarantor, to the extent of the value of the collateral securing such obligations, and will rank senior in right of payment to all existing and future obligations of such Guarantor that are, by their terms, subordinated in right of payment to the Guarantee of such Guarantor.

The Notes will be effectively subordinated to the obligations of Non-Guarantor Subsidiaries.

The Guarantors will Guarantee the Notes on the terms and conditions set forth in the Indenture.

A Note Guarantee of a Guarantor (other than Parent or Crown) will be unconditionally released and discharged upon any of the following:

- any Transfer (including, without limitation, by way of consolidation or merger) by Parent or any Restricted Subsidiary to any Person that is not a Restricted Subsidiary of Parent of all of the Equity Interests of, or all or substantially all of the properties and assets of, such Guarantor, which sale, exchange or transfer is made in accordance with the provisions of the Indenture;

- any Transfer directly or indirectly (including, without limitation, by way of consolidation or merger) by Parent or any Restricted Subsidiary to any Person that is not a Restricted Subsidiary of Parent of Equity Interests of such Guarantor or any issuance by such Guarantor of its Equity Interests, which Transfer or issuance is made in accordance with the provisions of the Indenture, such that such Guarantor ceases to be a Subsidiary of Parent; *provided* that such Guarantor is also released from all of its obligations in respect of Indebtedness under each Credit Facility;

- the release of such Guarantor from all obligations of such Guarantor in respect of Indebtedness under each Credit Facility; or

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the designation of such Guarantor as an Unrestricted Subsidiary in accordance with the provisions of the Indenture; *provided* that such Guarantor is also released from all of its obligations in respect of Indebtedness under each Credit Facility.

Except as provided under Certain Covenants Merger, Consolidation or Sale of Assets, a Note Guarantee of Parent or Crown may be released and discharged only with the consent of each Holder of Notes to which such Note Guarantee relates; *provided* that the Note Guarantee of Crown may also be released and discharged upon satisfaction of any of the conditions set forth in the first, second or fourth bullet point and, if Crown is also released as guarantor in respect of the Existing Secured Notes, to the extent outstanding, the third bullet point of the preceding paragraph.

No such release or discharge of a Note Guarantee of a Guarantor shall be effective against the Trustee or the Holders of Notes to which such Note Guarantee relates (i) if a Default or Event of Default shall have occurred and be continuing under the Indenture as of the time of such proposed release until such time as such Default or Event of Default is cured and waived (unless such release is in connection with the sale of the Equity Interests in such Guarantor constituting collateral for a Credit Facility in connection with the exercise of remedies against such Equity Interests or in connection with a Transfer permitted by the Indenture if, but for the existence of such Default or Event of Default, such Subsidiary would otherwise be entitled to be released from its Guarantee following the sale of such Equity Interests) and (ii) until the Issuers shall have delivered to the Trustee an officers' certificate, upon which the Trustee shall have no responsibility for relying, stating that all conditions precedent provided for in the Indenture relating to such transactions have been complied with and that such release and discharge is authorized and permitted under the Indenture. At the request of the Issuers, the Trustee shall execute and deliver an instrument evidencing such release.

By its terms, the Guarantee of each Subsidiary Guarantor will limit the liability of each such Guarantor to the maximum amount it can pay without its Guarantee being deemed a fraudulent transfer. See Risk Factors Risks Related to the New Notes The new notes and the new note guarantees may be voidable, subordinated or limited in scope under insolvency, fraudulent transfer, corporate or other laws.

## **Optional Redemption**

On and after February 1, 2016, the Issuers may redeem the Notes at their option, in whole at any time or in part from time to time, at the following redemption prices, expressed as percentages of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, if redeemed during the twelve-month period commencing on February 1 of any year set forth below:

<b>Year</b>	<b>Percentage</b>
2016	103.125%
2017	102.083%
2018	101.042%
2019 and thereafter	100.000%

In addition, prior to February 1, 2016, the Issuers may redeem the Notes, at their option, in whole at any time or in part from time to time, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the applicable redemption date, plus the Make-Whole Premium (a *Make-Whole Redemption*). The Indenture will provide that with respect to any such redemption the Issuers will notify the Trustee of the Make-Whole Premium with respect to the Notes promptly after the calculation and the Trustee will not be responsible for verifying or otherwise for such calculation.

Notwithstanding the foregoing, on or prior to February 1, 2014, the Issuers, on one or more occasions, may, at their option, redeem up to 35% in aggregate principal amount of Notes (including Additional Notes) originally issued under the Indenture at a redemption price equal to 106.250% of their principal amount, plus accrued and unpaid interest, if any, to the redemption date, with the net cash proceeds of one or more Equity Offerings by Parent to the extent that the net cash proceeds thereof are contributed to the common equity capital of Crown Americas or are used to subscribe from Crown Americas' shares of its Qualified Capital Stock;

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*provided* that (1) at least 65% in aggregate principal amount of the Notes (including Additional Notes) originally issued under the Indenture remain outstanding immediately after the occurrence of each such redemption and (2) such redemption occurs within 90 days of the date of the closing of any such Equity Offering.

Notice of any redemption upon an Equity Offering may be given prior to the completion of the related Equity Offering, and any such redemption or notice may, at the Issuers' discretion, be subject to one or more conditions precedent, including, but not limited to, completion of the related Equity Offering.

### **Selection and Notice Regarding Notes**

If less than all of the Notes are to be redeemed at any time, selection of such Notes for redemption will be made by the Trustee in compliance with the requirements of the principal national securities exchange, if any, on which the Notes to be redeemed are listed or, if the Notes are not so listed, on a *pro rata* basis (or, in the case of Notes in global form, the Trustee will select Notes for redemption based on DTC's method that most nearly approximates a *pro rata* selection); *provided* that no Notes with a principal amount of \$2,000 or less shall be redeemed in part. Notice of redemption shall be mailed by first class mail at least 30 but not more than 60 days before the redemption date to each Holder of Notes to be redeemed at its registered address. If any Note is to be redeemed in part only, the notice of redemption that relates to such Note shall state the portion of the principal amount thereof to be redeemed. A new Note in principal amount equal to the unredeemed portion thereof will be issued in the name of the Holder thereof upon cancellation of the original Note. On and after the redemption date, interest will cease to accrue on such Notes or portions thereof called for redemption. Redemption amounts shall only be paid upon presentation and surrender of any such Notes to be redeemed.

Any redemption and notice thereof pursuant to the Indenture may, in the Issuers' discretion, be subject to the satisfaction of one or more conditions precedent.

### **Mandatory Redemption**

Except as set forth below under **Repurchase at the Option of Holders**, the Issuers are not required to make any mandatory redemption or sinking fund payments with respect to the Notes.

### **Repurchase at the Option of Holders**

#### ***Change of Control***

Upon the occurrence of a Change of Control, each Holder of Notes will have the right to require the Issuers to repurchase all or any part (equal to \$2,000 or an integral multiple of \$1,000 in excess thereof) of such Holder's Notes pursuant to the offer described below (the *Change of Control Offer*) at an offer price in cash equal to 101% of their aggregate principal amount, plus accrued and unpaid interest, if any, thereon to the purchase date (the *Change of Control Payment*). Within 30 days following any Change of Control or, at the Issuers' option, prior to the consummation of such Change of Control but after the public announcement thereof, the Issuers will mail a notice to each Holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase Notes on the purchase date specified in such notice (which must be no earlier than 30 days nor later than 60 days from the date such notice is mailed, other than as required by law) (the *Change of Control Payment Date*) pursuant to the procedures required by the Indenture and described in such notice. Such obligation will not continue after a discharge of the Issuers or defeasance from their obligations with respect to the Notes. See **Legal Defeasance and Covenant Defeasance**.

On the Change of Control Payment Date, the Issuers will, to the extent lawful:

- (1) accept for payment all Notes or portions thereof (in minimum amounts of \$2,000 or an integral multiple of \$1,000 in excess thereof) properly tendered pursuant to the Change of Control Offer;
- (2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions thereof so tendered; and
- (3) deliver or cause to be delivered to the Trustee all Notes so accepted together with an officers' certificate stating the aggregate principal amount of Notes (or portions thereof) being purchased by the Issuers.



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The Paying Agent will promptly remit to each Holder of Notes so tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and deliver (or cause to be transferred by book entry) to each Holder of Notes a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; *provided* that each such new Note will be in a principal amount of \$2,000 or an integral multiple of \$1,000 in excess thereof. The Issuers will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

The Issuers will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Issuers will comply with the applicable securities laws and regulations and will not be deemed to have breached their obligations under this covenant by virtue thereof.

Except as described above with respect to a Change of Control, the Indenture will not contain provisions that permit the Holders of the Notes to require that the Issuers repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction with respect to Parent or an Issuer.

The Issuers will not be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture with respect to a Change of Control Offer made by the Issuers and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer or (2) notice of redemption has been given pursuant to the Indenture as described above under the caption **Optional Redemption**, unless and until there is a default in payment of the applicable redemption price. Notwithstanding anything to the contrary contained herein, a Change of Control Offer may be made in advance of a Change of Control, conditioned upon the consummation of such Change of Control, if a definitive agreement is in place for the Change of Control at the time the Change of Control Offer is made and such Change of Control Offer is otherwise made in compliance with the provisions of this covenant.

The Existing Credit Facility and other existing Indebtedness of Parent and its Subsidiaries contain, and their future Indebtedness may contain, prohibitions on the occurrence of certain events that would constitute a Change of Control or require the repayment or repurchase of such Indebtedness upon a Change of Control. Moreover, the exercise by the Holders of their right to require the Issuers to repurchase the Notes could cause a default under the Existing Credit Facility and/or such Indebtedness, even if the Change of Control itself does not. Finally, the Issuers ability to pay cash to the Holders of Notes following the occurrence of a Change of Control may be limited by their then-existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make any required repurchases and there can be no assurance that the Issuers would be able to obtain financing to make such repurchases. The Issuers' failure to purchase the Notes in connection with a Change of Control would result in a Default under the Indenture which could, in turn, constitute a default under such other Indebtedness.

The existence of a Holder's right to require the Issuers to make a Change of Control Offer upon a Change of Control may deter a third party from acquiring Parent or the Issuers in a transaction that constitutes a Change of Control. The definition of **Change of Control** includes a phrase relating to the transfer of **all or substantially all** of the assets of Parent and its Subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase **substantially all**, there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a Holder of Notes to require the Issuers to repurchase its Notes as a result of a transfer of less than all of the assets of Parent and its Subsidiaries taken as a whole to another Person may be uncertain.

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### ***Asset Sales***

The Indenture provides that Parent will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless each of the following requirements is satisfied:

- (1) Parent or such Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value of the assets or Equity Interests issued or sold or otherwise disposed of; and
  - (2) except in the case of a Permitted Asset Swap, at least 75% of the consideration therefor received by Parent or such Restricted Subsidiary, as the case may be, is in the form of (a) cash and/or Cash Equivalents, (b) Replacement Assets or (c) any combination of the consideration described in clauses (a) and (b); *provided* that the amount of:
    - (a) any liabilities (as shown on Parent's or such Restricted Subsidiary's most recent balance sheet or in the notes thereto) of Parent or any of its Restricted Subsidiaries (other than liabilities that are by their terms subordinated to the Notes or any Note Guarantee) that are assumed by the transferee of any such assets as a result of which Parent and its Restricted Subsidiaries are released from further liability with respect thereto,
    - (b) any securities, notes or other obligations received by Parent or any such Restricted Subsidiary from such transferee that are converted within 180 days of receipt thereof by Parent or such Restricted Subsidiary into cash (to the extent of the cash received), and
    - (c) any Designated Non-cash Consideration received by Parent or such Restricted Subsidiary in such Asset Sale having an aggregate Fair Market Value, taken together with all other Designated Non-cash Consideration received pursuant to this clause (c) that is at that time outstanding, not to exceed 7.5% of Total Assets at the time of receipt of such Designated Non-cash Consideration, with the Fair Market Value of each item of Designated Non-cash Consideration being measured at the time received and without giving effect to subsequent changes in value,
- will, in each case, be deemed to be cash for purposes of this provision.

Within 365 days after the receipt of any Net Proceeds from an Asset Sale, Parent or such Restricted Subsidiary may at its option, cause such Net Proceeds to be applied (a) to make an investment in or expenditure for Replacement Assets or other capital expenditure or to enter into a binding commitment to make such an investment or expenditure; *provided* that, in the case of a commitment to make an investment or expenditure, such investment or expenditure shall have been made within 365 days of the first anniversary of the receipt of any Net Proceeds from such Asset Sale, (b) to repay Indebtedness under the Existing Credit Facility (including any Related Obligations), any other Secured Indebtedness and/or any other Indebtedness (other than Subordinated Indebtedness) (and, in each case, to permanently reduce amounts outstanding thereunder), (c) to repay Indebtedness of a Non-Guarantor Subsidiary, other than an Issuer (and to permanently reduce amounts outstanding thereunder) or (d) any combination of subclauses (a), (b) and (c).

Any Net Proceeds from Asset Sales that are not applied or invested as provided in the preceding paragraph will be deemed to constitute *Excess Proceeds*. When the aggregate amount of Excess Proceeds exceeds \$65.0 million, the Issuers will be required to (i) make an offer (an *Asset Sale Offer*) to the Holders of the Notes to purchase such Notes on a *pro rata* basis at an offer price in cash in an amount equal to 100% of their principal amount, plus accrued and unpaid interest, if any, to the purchase date, in accordance with the procedures set forth in the Indenture and (ii) to the extent an Issuer or any Guarantor so elects or is required, to repay any other outstanding Pari Passu Indebtedness (or offer to purchase such Pari Passu Indebtedness if pursuant to the terms of such Indebtedness the issuer thereof is only required to offer to repay such Indebtedness) (and permanently reduce amounts outstanding under such Pari Passu Indebtedness) at a repayment (or repurchase) price not to exceed 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the repayment (or repurchase) date.



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Each application of Excess Proceeds pursuant to the preceding paragraph shall be made on a *pro rata* basis among the Notes and any such other Pari Passu Indebtedness in proportion to the respective amounts outstanding under each such item of Indebtedness. To the extent that any Excess Proceeds remain after compliance with the preceding paragraph, Parent or any Restricted Subsidiary may use any remaining Excess Proceeds for any purpose not prohibited under the Indenture. If the aggregate principal amount of Notes surrendered by Holders thereof exceeds the amount of Excess Proceeds available in connection with an Asset Sale Offer, the Trustee shall select the Notes to be purchased on a *pro rata* basis (or, in the case of Notes in global form, the Trustee will select Notes to be purchased based on DTC's method that most nearly approximates a *pro rata* selection). Upon completion of an Asset Sale Offer, the amount of Excess Proceeds shall be reset at zero.

All Net Proceeds and Excess Proceeds from Asset Sales may, pending their application in accordance with this covenant, be used to temporarily reduce revolving credit borrowings under any Credit Facility or be invested in any manner that is not prohibited by the Indenture.

The Issuers will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Issuers will comply with the applicable securities laws and regulations and will not be deemed to have breached their obligations under this covenant by virtue thereof.

### **Certain Covenants**

Set forth below are summaries of certain covenants contained in the Indenture:

#### ***Changes in Covenants When Notes Rated Investment Grade***

The Indenture provides that if at any time (the *Termination Date*) (i) the Notes issued under the Indenture have Investment Grade Ratings from both Rating Agencies and (ii) no Default or Event of Default has occurred and is continuing under the Indenture, Parent and its Restricted Subsidiaries will no longer be subject to the following provisions of the Indenture:

- (1) Repurchase at the Option of Holders Change of Control ;
- (2) Repurchase at the Option of Holders Asset Sales ;
- (3) Restricted Payments ;
- (4) Incurrence of Indebtedness and Issuance of Preferred Stock ;
- (5) the first paragraph under Sale and Leaseback Transactions ;
- (6) upon the making of the election described in the second paragraph under Liens , the first paragraph under Liens ;
- (7) Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries ;
- (8) clause (4) of the first paragraph under Merger, Consolidation or Sale of Assets ; and
- (9) Transactions with Affiliates .

(collectively, the *Terminated Covenants* ). From and after the Termination Date, the Terminated Covenants shall not be subject to reinstatement notwithstanding any event including, without limitation, that subsequently, either of the Rating Agencies withdraws its rating or downgrades the ratings assigned to such Notes below the required Investment Grade Ratings such that both Rating Agencies at such time shall not have assigned to such Notes an Investment Grade Rating or a Default or Event of Default shall have occurred and be continuing.

There can be no assurance that a Termination Date will occur or, if one occurs, that the Notes will continue to maintain an Investment Grade Rating.



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### ***Restricted Payments***

The Indenture provides that Parent will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any distribution (including in connection with any merger or consolidation) on account of any Equity Interests of Parent or any of its Restricted Subsidiaries (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of Parent or such Restricted Subsidiary or dividends or distributions payable to Parent or any Restricted Subsidiary of Parent);

(2) purchase, redeem or otherwise acquire or retire for value any Equity Interests of Parent, any of its Restricted Subsidiaries or any other Affiliate of Parent (other than any such Equity Interests owned by Parent or any Restricted Subsidiary of Parent);

(3) make any principal payment on, or purchase, redeem, defease or otherwise acquire or retire for value prior to any scheduled final maturity, scheduled repayment or scheduled sinking fund payment, any Indebtedness that is expressly subordinated by its terms in right of payment to the Notes or a Note Guarantee (other than (i) a payment, repurchase, redemption, defeasance, acquisition or other retirement for value in anticipation of satisfying a scheduled final maturity, scheduled repayment or scheduled sinking fund payment, in each case, due within one year of the date of such payment, repurchase, redemption, defeasance, acquisition or other retirement and (ii) intercompany Indebtedness exclusively between or among Parent and one or more of its Restricted Subsidiaries); or

(4) make any Restricted Investment

(all such payments and other actions set forth in clauses (1) through (4) above being collectively referred to as *Restricted Payments* ), unless, at the time of such Restricted Payment:

(a) no Default or Event of Default has occurred and is continuing or would occur as a consequence thereof;

(b) Parent would, at the time of such Restricted Payment and after giving pro forma effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to incur at least \$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described under the caption *Incurrence of Indebtedness and Issuance of Preferred Stock* ; and

(c) such Restricted Payment, together with the aggregate of all other Restricted Payments made by Parent and its Restricted Subsidiaries from and after the First Priority Notes Issue Date (excluding Restricted Payments permitted by clauses (2)(i), (3)(i), (5), (12) and (13) of the next succeeding paragraph), is less than the sum of:

(w) 50% of the Consolidated Net Income of Parent for the period (taken as one accounting period) from July 1, 2004 to the end of Parent's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, minus 100% of such deficit); *plus*

(x) 100% of the aggregate net cash proceeds (including any non-cash proceeds that have been converted into cash) received by Parent from the issuance and sale of its Qualified Capital Stock or from contributions to its common equity from and after the First Priority Notes Issue Date (other than Qualified Capital Stock issued to or contributions to common equity received from a Restricted Subsidiary of Parent); *plus*

(y) 100% of the aggregate net cash proceeds (including any non-cash proceeds that have been converted into cash) received by Parent from the issuance and sale of debt securities or Disqualified Stock of Parent or any Restricted Subsidiary that have been converted into or exchanged for Qualified Capital Stock of Parent from and after the First Priority Notes Issue Date (other than convertible or exchangeable debt securities or Disqualified Stock issued to a Restricted Subsidiary of Parent); *plus*

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(z) to the extent not included in the calculation of Consolidated Net Income referred to in (w) above, an amount equal to, without duplication, the sum of:

(i) the aggregate amount returned in cash (including any non-cash proceeds that have been converted into cash) on or with respect to Restricted Investments made subsequent to the First Priority Notes Issue Date whether through interest payments, principal payments, dividends or other distributions or payments;

(ii) the net cash proceeds (including any non-cash proceeds that have been converted into cash) received by Parent or any of its Restricted Subsidiaries from the disposition of all or any portion of such Restricted Investments (other than to a Restricted Subsidiary of Parent); and

(iii) upon redesignation of an Unrestricted Subsidiary as a Restricted Subsidiary, the Fair Market Value of all outstanding Investments by Parent and its Restricted Subsidiaries in such Subsidiary at the time of such designation;

provided, however, that the sum of clauses (i), (ii) and (iii) shall not exceed the aggregate amount of all such Investments made subsequent to the First Priority Notes Issue Date.

The foregoing provisions will not prohibit any or all of the following:

(1) the payment of any dividend within 60 days after the date of declaration thereof, if at such date of declaration such payment would have complied with the provisions of the Indenture;

(2) the purchase, redemption or other acquisition or retirement for value of any Equity Interests of Parent or any Restricted Subsidiary of Parent (i) solely in exchange for Equity Interests of Parent (other than Disqualified Stock) or (ii) out of the net cash proceeds of the substantially concurrent issuance or sale (other than to a Restricted Subsidiary of Parent) of Equity Interests of Parent (other than Disqualified Stock);

(3) the payment, purchase, redemption, defeasance or other acquisition or retirement for value of subordinated Indebtedness of Parent or any Restricted Subsidiary of Parent solely (i) in exchange for Equity Interests of Parent (other than Disqualified Stock) and/or (ii) with the net cash proceeds from an incurrence of Permitted Refinancing Indebtedness and/or the substantially concurrent issuance or sale (other than to a Restricted Subsidiary of Parent) of Equity Interests of Parent (other than Disqualified Stock);

(4) the purchase, redemption or other acquisition or retirement for value of any Equity Interests of Parent held by employees or directors of Parent or any of its Restricted Subsidiaries pursuant to any management equity subscription agreement, stock option agreement or similar agreement and the acquisition of Equity Interests of Parent in open market purchases, or otherwise, for matching or other contributions to its employee stock purchase, deferred compensation, 401(k) and other employee benefit plans in the ordinary course of business; *provided* that the aggregate price paid for all such purchased, redeemed, acquired or retired Equity Interests shall not exceed the sum of (a) \$25.0 million in any twelve-month period *plus* (b) the aggregate cash proceeds received by Parent during such twelve-month period from any issuance of Equity Interests by Parent to employees and directors of Parent and its Restricted Subsidiaries;

(5) the payment of dividends by a Restricted Subsidiary of Parent on any Equity Interest of such Restricted Subsidiary if such dividend is paid *pro rata* to all holders of such Equity Interest;

(6) the repurchase of Equity Interests of Parent deemed to occur upon exercise of stock options if such Equity Interests represent a portion of the exercise price of such options;

(7) in the event of a Change of Control, and if no Default or Event of Default shall have occurred and be continuing, the payment, purchase, redemption, defeasance or other acquisition or retirement of Indebtedness that is subordinated by its terms in right of payment to the Notes or a Note

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Guarantee, in each case, at a purchase price not greater than 101% of the principal amount of such Indebtedness, *plus* any accrued and unpaid interest thereon; *provided* that prior to or contemporaneously with such payment, purchase, redemption, defeasance or other acquisition or retirement, the Issuers have made the Change of Control Offer with respect to the Notes and have repurchased all Notes validly tendered and not withdrawn in connection with such Change of Control Offer;

(8) the purchase by Parent of fractional shares arising out of stock dividends, splits or combinations or business combinations;

(9) the purchase, redemption, acquisition, cancellation or other retirement for a nominal value per right of any rights granted to all the holders of common stock of Parent pursuant to any shareholders' rights plan adopted for the purpose of protecting shareholders from unfair takeover tactics; *provided* that any such purchase, redemption, acquisition, cancellation or other retirement of such rights shall not be for the purpose of evading the limitations of this covenant (as determined in good faith by the Board of Directors of Parent);

(10) the payment of dividends on Capital Stock of Parent or the acquisition, in open market purchases or otherwise, of Capital Stock of Parent in an aggregate amount not to exceed \$65.0 million in any calendar year; *provided, however*, that up to \$65.0 million of such amount that is not utilized by Parent to pay dividends or acquire Capital Stock of Parent in any calendar year may be carried forward into the immediately succeeding year;

(11) payments or distributions to dissenting stockholders pursuant to applicable law, pursuant to or in connection with a consolidation, merger or transfer of assets that complies with the provisions of the Indenture applicable to mergers, consolidations and transfers of all or substantially all of the Parent's property and assets; *provided* that as a result of such consolidation, amalgamation, merger or transfer of assets, the Issuer shall have made a Change of Control Offer (if required by the Indenture) and that all notes tendered by holders in connection with such Change of Control Offer have been repurchased, redeemed or acquired for value;

(12) other Restricted Payments in an aggregate amount not to exceed \$300.0 million from and after the First Priority Notes Issue Date; and

(13) so long as no Default or Event of Default shall have occurred and be continuing, other Restricted Payments of the kind contemplated by clause (1) or (2) of the definition of Restricted Payments if, immediately after giving effect to such Restricted Payment as if it had occurred at the beginning of Parent's most recently ended four full fiscal quarters for which internal financial statements are available, Parent's Total Leverage Ratio would have been less than 3.5 to 1.0.

The Board of Directors of Parent may designate any Restricted Subsidiary of Parent, or any newly acquired or created Subsidiary of Parent, to be an Unrestricted Subsidiary if such designation would not cause a Default. For purposes of making such designation, all outstanding Investments by Parent and its Restricted Subsidiaries in the Subsidiary so designated, and all Investments by Parent and its Restricted Subsidiaries to be made in connection with such acquisition or creation, will be deemed to be, at the Issuers' election, either (i) Restricted Payments at the time of such designation and will reduce the amount available for Restricted Payments under the second paragraph of this covenant or (ii) Permitted Investments under either clause (10) or (12) of the definition of Permitted Investments. All such outstanding Investments will be deemed to constitute either Restricted Investments (in the case of a designation pursuant to clause (i) of the preceding sentence) or Permitted Investments (in the case of a designation pursuant to clause (ii) of the preceding sentence) in an amount equal to the Fair Market Value of such Investments at the time of such designation. Such designation will only be permitted if such Restricted Investment would be permitted at such time and if such Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. For purposes of determining compliance with this covenant, in the event that a Restricted Payment meets the criteria of more than one of the exceptions described in clauses (1) through (13) above or is entitled to be made pursuant to the first paragraph of this covenant, Parent may, in its sole discretion, classify or reclassify such Restricted Payment or any portion thereof in any manner that complies with this covenant.

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The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued to or by Parent or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment.

As of June 30, 2011, the amount of Restricted Payments permitted to be made pursuant to clause (c) of the first paragraph of this covenant was approximately \$563 million.

### ***Incurrence of Indebtedness and Issuance of Preferred Stock***

The Indenture provides that Parent will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, incur any Indebtedness (including Acquired Debt) and Parent will not permit any of its Restricted Subsidiaries to issue any shares of Preferred Stock; *provided, however*, that Parent may incur Indebtedness (including Acquired Debt) and any Restricted Subsidiary may incur Indebtedness (including Acquired Debt) or issue shares of Preferred Stock, if the Fixed Charge Coverage Ratio for Parent's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Preferred Stock is issued would have been at least 2.0 to 1.0, determined on a *pro forma* basis (including a *pro forma* application of the net proceeds therefrom), as if the additional Indebtedness had been incurred, or the Preferred Stock had been issued, as the case may be, at the beginning of such four-quarter period.

The foregoing provisions will not apply to any of the following:

(1) the incurrence by Parent or any Restricted Subsidiary of Parent of Indebtedness under one or more Credit Facilities in an aggregate principal amount not to exceed at any time outstanding \$2.5 billion, less the amount of any such Indebtedness permanently retired with the Net Proceeds from any Asset Sale applied from and after the Issue Date to reduce the outstanding amounts pursuant to the covenant described under Repurchase at the Option of Holders Asset Sales ;

(2) the incurrence by the Issuers of Indebtedness represented by \$700 million aggregate principal amount of the Notes issued on the Issue Date and the Exchange Notes issued in exchange therefor, and the incurrence of the Note Guarantees of such Notes by the Guarantors;

(3) the incurrence by Parent or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations or Purchase Money Obligations, in each case, incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property (real or personal), plant or equipment used in the business of Parent or such Restricted Subsidiary (whether through the direct purchase of assets or the capital stock of any Person owning such assets); *provided* that the aggregate principal amount of Indebtedness incurred pursuant to this clause (3), and refinancings thereof, shall not exceed 7.5% of Total Assets at any time outstanding;

(4) Existing Indebtedness;

(5) the incurrence by Parent or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to refinance, Existing Indebtedness or Indebtedness that was permitted to be incurred pursuant to the first paragraph of this covenant or pursuant to clause (2) above or this clause (5);

(6)(a) Indebtedness of Parent owed to a Restricted Subsidiary of Parent; *provided, however*, that upon any such Restricted Subsidiary ceasing to be a Restricted Subsidiary of Parent or such Indebtedness being owed to any Person other than a Restricted Subsidiary of Parent, Parent shall be deemed to have incurred Indebtedness not permitted by this clause (6), and (b) Indebtedness of any Restricted Subsidiary of Parent owed to Parent or any of its other Restricted Subsidiaries; *provided* that upon such Indebtedness being owed to any Person other than Parent or a Restricted Subsidiary of Parent, such Restricted Subsidiary shall be deemed to have incurred Indebtedness not permitted by this clause (6);

(7) the incurrence by Parent or any of its Restricted Subsidiaries of Hedging Obligations that are incurred in the ordinary course of business and not for speculative purposes;

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(8) Indebtedness of Parent or any of its Restricted Subsidiaries arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently (except in the case of daylight overdrafts) drawn against insufficient funds in the ordinary course of business; *provided, however*, that such Indebtedness is extinguished within five business days of incurrence;

(9) Indebtedness of Parent or any of its Restricted Subsidiaries in respect of performance bonds, bankers' acceptances, workers' compensation claims, surety or appeal bonds, payment obligations in connection with self-insurance or similar obligations, and bank overdrafts (and letters of credit in respect thereof) in the ordinary course of business;

(10) Indebtedness of Parent or any Restricted Subsidiary of Parent owed to (including obligations in respect of letters of credit for the benefit of) any Person in connection with worker's compensation, health, disability or other employee benefits or property, casualty or liability insurance provided by such Person to Parent or such Restricted Subsidiary pursuant to reimbursement or indemnification obligations to such Person, in each case incurred in the ordinary course of business and consistent with past practices;

(11) Indebtedness arising from agreements of Parent or any Restricted Subsidiary providing for indemnification, adjustment of purchase price, earn out obligations or similar obligations, in each case incurred or assumed in connection with the Transfer of any business, asset or Equity Interests permitted by the Indenture;

(12) Non-Recourse Accounts Receivable Entity Indebtedness incurred by any Accounts Receivable Entity in a Qualified Receivables Transaction;

(13) Indebtedness of (x) Parent or a Restricted Subsidiary incurred to finance an acquisition or (y) Persons that are acquired by Parent or any Restricted Subsidiary or merged into Parent or a Restricted Subsidiary in accordance with the terms of the Indenture; *provided* that, after giving *pro forma* effect to such acquisition or merger, the Fixed Charge Coverage Ratio of Parent would be greater than immediately prior to such acquisition or merger;

(14) the incurrence by a Restricted Subsidiary of Parent (other than an Issuer) of Indebtedness in connection with and in contemplation of, the concurrent disposition of such Restricted Subsidiary to the stockholders of Parent in a transaction otherwise permitted by the Indenture; *provided* that such disposition occurs concurrently with such incurrence and following such disposition, neither Parent nor any of its Restricted Subsidiaries has any liability with respect to such Indebtedness;

(15) Indebtedness consisting of the financing of insurance premiums;

(16) the Guarantee by Parent or any Restricted Subsidiary of Indebtedness or other obligations of Parent or any Restricted Subsidiary so long as the incurrence of such Indebtedness incurred by Parent or such Restricted Subsidiary is permitted pursuant to the terms of the Indenture; *provided* that if such Indebtedness is by its express terms subordinated in right of payment to the notes or the Guarantee of Parent or such Restricted Subsidiary, as applicable, any such Guarantee of such Guarantor with respect to such Indebtedness shall be subordinated in right of payment to such Guarantor's Guarantee with respect to the notes substantially to the same extent as such Indebtedness is subordinated to the notes or the Guarantee of Parent or such Restricted Subsidiary, as applicable;

(17) the issuance of shares of Preferred Stock by a Restricted Subsidiary to Parent or another Restricted Subsidiary; *provided* that any subsequent issuance or transfer of any Capital Stock or any other event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of any such shares of Preferred Stock (except to Parent or another Restricted Subsidiary) shall be deemed in each case to be an issuance of such shares of Preferred Stock that was not permitted by this clause (17); and

(18) the incurrence by Parent or any Restricted Subsidiary of Parent of Indebtedness or issuance of Preferred Stock (in addition to Indebtedness and Preferred Stock that may be incurred or issued pursuant to any other clause of this covenant) in an aggregate principal amount (or liquidation value in the case of Preferred Stock) not to exceed \$400 million at any time outstanding.

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Accrual of interest, accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms and the payment of dividends on Disqualified Stock or Preferred Stock in the form of additional shares of the same class of Disqualified Stock or Preferred Stock will not be deemed to be an incurrence of Indebtedness or an issuance of Preferred Stock for purposes of this covenant; *provided*, in each such case, that the amount thereof is included in Fixed Charges of Parent to the extent provided for in the definition of Fixed Charges. The maximum amount of Indebtedness that Parent or any Restricted Subsidiary of Parent may incur pursuant to this covenant will not be deemed to be exceeded solely as the result of fluctuations in the exchange rates of currencies.

The Indenture provides that Parent will not, and will not permit any Restricted Subsidiary of Parent to, directly or indirectly, incur any Indebtedness that is or purports to be by its terms (or by the terms of any agreement governing such Indebtedness) subordinated to any other Indebtedness of Parent or of such Restricted Subsidiary, as the case may be, unless such Indebtedness is also by its terms (or by the terms of any agreement governing such Indebtedness) expressly subordinated to the Notes or any Note Guarantee of such Restricted Subsidiary to the extent it is or may become a Guarantor, on substantially the same terms as such Indebtedness is subordinated to such other Indebtedness of Parent or such Restricted Subsidiary, as the case may be; *provided, however*, that in no event shall Indebtedness of Parent or any Restricted Subsidiaries be deemed to be contractually subordinated in right of payment to any other Indebtedness of Parent or such Restricted Subsidiary solely by virtue of being unsecured or secured by a junior Lien.

For purposes of determining compliance with this Incurrence of Indebtedness and Issuance of Preferred Stock covenant, in the event that an item of Indebtedness or Preferred Stock meets the criteria of more than one of the categories of Indebtedness or Preferred Stock described in clauses (1) through (18) of the second paragraph of this covenant, or is entitled to be incurred pursuant to the first paragraph of this covenant, Parent may, in its sole discretion, classify such item of Indebtedness or Preferred Stock on the date of its incurrence, or later reclassify all or a portion of such item of Indebtedness, in any manner that complies with this covenant and such Indebtedness or Preferred Stock will be treated as having been incurred pursuant to such clauses or the first paragraph hereof, as the case may be, designated by Parent; *provided* that any Indebtedness under the Existing Credit Facility (including any Related Obligations) outstanding on the Issue Date shall at all times be deemed to have been incurred pursuant to clause (1) above.

### ***Sale and Leaseback Transactions***

The Indenture provides that prior to the Termination Date, Parent will not, and will not permit any of its Restricted Subsidiaries to, enter into any sale and leaseback transaction; *provided* that Parent or any Restricted Subsidiary may enter into a sale and leaseback transaction if:

- (1) Parent or such Restricted Subsidiary could have incurred Indebtedness in an amount equal to the Attributable Debt relating to such sale and leaseback transaction pursuant to the covenant described under the caption Incurrence of Indebtedness and Issuance of Preferred Stock ;
- (2) the Lien to secure such Indebtedness does not extend to or cover any assets of Parent or any of its Restricted Subsidiaries other than the assets which are the subject of the sale and leaseback transaction;
- (3) the gross cash proceeds of such sale and leaseback transaction are at least equal to the Fair Market Value of the asset that is the subject of such sale and leaseback transaction; and
- (4) the Transfer of assets in such sale and leaseback transaction is permitted by, and the proceeds of such transaction are applied in compliance with, the covenant described under the caption Repurchase at the Option of Holders Asset Sales.

Following the Termination Date, Parent will not, nor will it permit any Principal Properties Subsidiary to, enter into any arrangement with any Person providing for the leasing (as lessee) by Parent or any Principal Properties Subsidiary of any Principal Property (except for temporary leases for a term, including any renewal thereof, of not more than three years and except for leases between Parent and a Principal Properties Subsidiary or between Principal Properties Subsidiaries) which property has been or is to be sold or transferred by Parent or a Principal Properties Subsidiary to such person (herein referred to as a *Post Termination Date Sale and*



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*Leaseback Transaction* ) unless either (i) Parent or such Principal Properties Subsidiary would be entitled to incur a Lien on such property without equally and ratably securing the Notes or the Note Guarantees pursuant to the second paragraph under *Liens* below or (ii) the net proceeds of such sale are at least equal to the fair value (as determined by the Board of Directors) of such property and Parent shall apply an amount equal to the net proceeds of such sale to (A) the retirement (other than any mandatory retirement or payment at maturity) of (x) Notes (other than any retirement prohibited by the terms of any Notes pursuant to prohibitions on advance refundings) or (y) Funded Debt of Parent, either Issuer or any Principal Properties Subsidiary ranking prior to or on a parity with the Notes or (B) the acquisition, construction or improvement of a Principal Property, within 120 days of the effective date of any such arrangement.

Notwithstanding the provisions of the immediately preceding paragraph, Parent or any Principal Properties Subsidiary may enter into Post Termination Date Sale and Leaseback Transactions, if at the time of such entering into, and after giving effect thereto, Exempted Indebtedness does not exceed 10% of Consolidated Net Tangible Assets.

### ***Liens***

The Indenture provides that prior to the Termination Date (and during any period that this paragraph shall apply when there is no election by Parent pursuant to the following paragraph) Parent will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien of any kind upon any of its assets, now owned or hereafter acquired, or upon any income or profits therefrom or assign any rights to receive income therefrom, except Permitted Liens; *provided* that any Lien on such assets shall be permitted notwithstanding that it is not a Permitted Lien if all payments due under the Indenture, Notes and Note Guarantees are secured on an equal and ratable basis (or prior basis in the case of any such Indebtedness which is subordinated in right of payment to such Notes or Note Guarantees) with the obligations so secured until such time as such obligations are no longer secured by a Lien.

Following the Termination Date, Parent may elect by written notice to the Trustee and the Holders of Notes to be subject to an alternative covenant with respect to the limitation on Liens in lieu of the preceding paragraph (such date, the *Election Date* ). Under this alternative covenant, Parent will not and will not permit any of its Principal Properties Subsidiaries to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien of any kind upon any (1) any Principal Property or (2) any shares of Capital Stock or evidence of indebtedness for borrowed money issued by any Principal Properties Subsidiary and owned by Parent or any Principal Properties Subsidiary, whether owned at the Issue Date or thereafter acquired, without making effective provision, and Parent in such case will make or cause to be made effective provision, whereby the Notes and the Note Guarantees shall be secured by such Lien equally and ratably with any and all other indebtedness or obligations thereby secured, so long as such indebtedness or obligations shall be so secured; *provided, however*, that the foregoing shall not apply to any of the following:

- (1) Liens that exist on the Election Date (other than Liens incurred on or prior to the Election Date in reliance on clauses (1) or (22) of the definition of Permitted Liens);
- (2) Liens on property, shares of capital stock or evidence of indebtedness of any corporation existing at the time such corporation becomes a Subsidiary;
- (3) Liens in favor of Parent or any Subsidiary;
- (4) Liens in favor of governmental bodies to secure progress, advance or other payments pursuant to contract or statute or indebtedness incurred to finance all or a part of construction of or improvements to property subject to such Liens;
- (5) Liens (i) on property, shares of Capital Stock or evidences of indebtedness for borrowed money existing at the time of acquisition thereof (including acquisition through merger or consolidation), and construction and improvement Liens that are entered into within one year from the date of such construction or improvement, *provided* that in the case of construction or improvement the Lien shall not apply to any property theretofore owned by Parent or any Principal Properties Subsidiary except substantially unimproved real property on which the property so constructed or the improvement is located and (ii) for the acquisition of any Principal Property, which Liens are created

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within 180 days after the completion of such acquisition to secure or provide for the payment of the purchase price of the Principal Property acquired; *provided* that any such Liens do not extend to any other property of the Parent or any of its Subsidiaries (whether such property is then owned or thereafter acquired);

(6) mechanics , landlords and similar Liens arising in the ordinary course of business in respect of obligations not due or being contested in good faith;

(7) Liens for taxes, assessments, or governmental charges or levies that are not delinquent or are being contested in good faith;

(8) Liens arising from any legal proceedings that are being contested in good faith;

(9) any Liens that (i) are incidental to the ordinary conduct of its business or the ownership of its properties and assets, including Liens incurred in connection with workmen s compensation, unemployment insurance or other forms of governmental insurance or benefits, or to secure performance of tenders, statutory obligations, leases and contracts, (ii) were not incurred in connection with the borrowing of money or the obtaining of advances or credit and (iii) do not in the aggregate materially detract from the value of the property of Parent or any Subsidiary or materially impair the use thereof in the operation of its business;

(10) Liens securing industrial development or pollution control bonds; and

(11) Liens for the sole purpose of extending, renewing or replacing (or unsuccessfully extending, renewing or replacing) in whole or in part any of the foregoing.

Notwithstanding the provisions of the immediately preceding paragraph, Parent or any Subsidiary may, without equally and ratably securing the Notes or the Note Guarantees, create or assume Liens which would otherwise be subject to the foregoing restrictions if at the time of such creation or assumption, and after giving effect thereto, Exempted Indebtedness does not exceed 10% of Consolidated Net Tangible Assets.

### ***Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries***

The Indenture provides that Parent will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any encumbrance or consensual restriction on the ability of any Restricted Subsidiary of Parent to:

(a) pay dividends or make any other distributions to Parent or any of its Restricted Subsidiaries on its Capital Stock;

(b) pay any Indebtedness owed to Parent or any of its Restricted Subsidiaries;

(c) make loans or advances to Parent or any of its Restricted Subsidiaries; or

(d) Transfer any of its properties or assets to Parent or any of its Restricted Subsidiaries, except for such encumbrances or restrictions existing under or by reason of any of the following:

(1) Existing Indebtedness, the Existing Credit Facility and any amendments or refinancings thereof; *provided* that such amendments or refinancings are not materially more restrictive, taken as a whole, with respect to such encumbrances or restrictions than those contained in such Existing Indebtedness or the Existing Credit Facility, as the case may be, on the Issue Date;

(2) the Indenture, the Notes, the Exchange Notes, and the Note Guarantees;

(3) applicable law, rule, regulation or order;

(4) any instrument governing Indebtedness or Capital Stock of a Person acquired by Parent or any of its Restricted Subsidiaries, as in effect at the time of acquisition (except to the extent such Indebtedness was incurred in connection with, or in contemplation of, such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the assets of the Person, so acquired; *provided* that in the case of Indebtedness, such Indebtedness was permitted by the terms of the Indenture to be incurred;



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- (5) Purchase Money Obligations and Capital Lease Obligations permitted to be incurred pursuant to clause (3) of the second paragraph of the covenant entitled Incurrence of Indebtedness and Issuance of Preferred Stock for assets acquired that impose restrictions of the nature described in clause (d) of the first paragraph of this covenant on the assets so acquired;
- (6) an agreement that has been entered into for the sale or disposition of all or substantially all of the Equity Interests or assets of a Restricted Subsidiary of Parent; *provided* that (a) such sale or disposition is permitted by the terms of the Indenture and (b) such restrictions are limited to the Restricted Subsidiary that is the subject of such agreement pending its sale or other disposition;
- (7) Liens securing Indebtedness otherwise permitted to be incurred pursuant to the covenant described above under the caption Liens that (y) limit the right of Parent or any of its Restricted Subsidiaries to Transfer or dispose of the assets subject to such Lien or (z) place any restriction on Parent's or such Restricted Subsidiary's use of the assets subject to such Lien;
- (8) restrictions on cash or other deposits or net worth requirements imposed by customers under contracts entered into in the ordinary course of business;
- (9) Permitted Refinancing Indebtedness; *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in either (i) the agreements governing the Indebtedness being refinanced or (ii) the Existing Credit Facility as in effect on the Issue Date;
- (10) Non-Recourse Accounts Receivable Entity Indebtedness or other contractual requirements of an Accounts Receivable Entity in connection with a Qualified Receivables Transaction; *provided* that such restrictions apply only to such Accounts Receivable Entity or the receivables which are subject to the Qualified Receivables Transaction;
- (11) contractual encumbrances and restrictions in effect on the Issue Date, and any amendments thereof; *provided* that such amendments are not materially more restrictive, taken as a whole, than such existing contractual encumbrances and restrictions;
- (12) protective liens filed in connection with sale and leaseback transactions permitted under the covenant described under Sale and Leaseback Transactions ;
- (13) customary non-assignment provisions of any contract and customary provisions restricting assignment or subletting in any lease governing a leasehold interest of any Restricted Subsidiary of Parent;
- (14) customary provisions restricting the disposition or distribution of assets or property to each holder of Capital Stock of a joint venture contained in any joint venture agreement which restriction is limited to the assets or property of such joint venture;
- (15) restrictions in effect on the Issue Date that are contained in charter documents or shareholder agreements relating to any Restricted Subsidiary of Parent and any amendments thereof; *provided* that such amendments are not materially more restrictive, taken as a whole, with respect to such restrictions than those contained in such document or agreement as in effect on the Issue Date; and
- (16) Indebtedness of (y) Non-Guarantor Subsidiaries incurred pursuant to clause (1) or (18) of the second paragraph of the covenant described above under Incurrence of Indebtedness and Issuance of Preferred Stock and (z) an Issuer or any Guarantor incurred pursuant to the covenant described above under Incurrence of Indebtedness and Issuance of Preferred Stock ; *provided* in the case of clause (z) above with respect to any Guarantor, such encumbrance or restriction may exist only for so long as such Guarantor continues to Guarantee the Notes.

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### ***Merger, Consolidation or Sale of Assets***

The Indenture provides that (i) neither Parent nor any Issuer will consolidate or merge with or into any other Person or Transfer all or substantially all of the properties or assets of Parent and its Restricted Subsidiaries, taken as a whole and (ii) neither Parent nor any Issuer will permit any of its Restricted Subsidiaries to, in a single transaction or a series of related transactions, Transfer all or substantially all of the properties or assets of Parent and its Restricted Subsidiaries, taken as a whole, in each case, to, another Person unless:

(1)(a) in the case of a merger, consolidation or Transfer involving Parent, Parent is the surviving corporation or the Person formed by or surviving any such consolidation or merger (if other than Parent) or to which such Transfer has been made is a corporation organized or existing under the laws of the United States, any State thereof or the District of Columbia, and

(b) in the case of a merger, consolidation or Transfer involving an Issuer, such Issuer is the surviving Person or the Person formed by or surviving any such consolidation or merger (if other than such Issuer) or to which such Transfer has been made is a limited liability company, partnership or corporation organized or existing under the laws of the United States, any State thereof or the District of Columbia; *provided* that if at any time Crown Americas or such successor Person is a limited liability company or partnership there shall be a joint and several co-issuer of the Notes that is a Wholly Owned Restricted Subsidiary of Crown Americas and that is a corporation organized or existing under the laws of the United States or any State thereof or the District of Columbia;

(2) the Person formed by or surviving any such consolidation or merger (if other than Parent or an Issuer, as the case may be) or the Person to which such Transfer has been made assumes all the obligations of Parent, such Issuer or such Restricted Subsidiary under the Notes, the Note Guarantees, the Indenture and the Registration Rights Agreement pursuant to a supplemental indenture or amendment of the relevant documents;

(3) immediately after such transaction, no Default or Event of Default exists; and

(4) Parent or such Issuer, as the case may be, or the Person formed by or surviving any such consolidation or merger or to which such Transfer has been made will, at the time of such transaction after giving *pro forma* effect thereto as if such transaction had occurred at the beginning of the applicable four-quarter period, be permitted to incur at least \$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described under the caption Incurrence of Indebtedness and Issuance of Preferred Stock .

Notwithstanding the foregoing, none of the following shall be permitted:

the consolidation or merger of Parent with or into or the Transfer of all or substantially all of the property or assets of Parent and its Restricted Subsidiaries, taken as a whole, to Crown, other than any such merger or consolidation or Transfer to a Restricted Subsidiary of Crown;

the Transfer of all or substantially all of the property or assets of Crown and its Restricted Subsidiaries, taken as a whole, to Crown, other than any Transfer to a Restricted Subsidiary of Crown; and

the consolidation or merger of an Issuer with or into or the Transfer of all or substantially all of the property or assets of such Issuer and its Restricted Subsidiaries, taken as a whole, to Crown, other than any such consolidation or merger with or into or Transfer to a Restricted Subsidiary of Crown.

The foregoing will not prohibit:

a consolidation or merger between an Issuer and a Guarantor other than Crown;

a consolidation or merger between a Guarantor and any other Guarantor other than Crown;

a consolidation or merger between a Restricted Subsidiary (other than an Issuer) that is not a Guarantor and any other Restricted Subsidiary other than Crown;

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the Transfer of all or substantially all of the properties or assets of a Guarantor to an Issuer and/or any other Guarantor other than Crown; or

the Transfer of all or substantially all of the properties or assets of a Restricted Subsidiary (other than an Issuer) that is not a Guarantor to any other Restricted Subsidiary other than Crown;

*provided* that, in each case involving an Issuer or a Guarantor, if such Issuer or such Guarantor is not the surviving entity of such transaction or the Person to which such Transfer is made, the surviving entity or the Person to which such Transfer is made shall comply with clause (2) above.

Upon any consolidation, combination or merger of Parent, an Issuer or any other Guarantor, or any Transfer of all or substantially all of the assets of Parent or an Issuer in accordance with the foregoing, in which Parent, such Issuer or such Guarantor is not the continuing obligor under the Notes or its related Note Guarantee, the surviving entity formed by such consolidation or into which Parent, such Issuer or such Guarantor is merged or to which the Transfer is made will succeed to, and be substituted for, and may exercise every right and power of Parent, such Issuer or such Guarantor under the Indenture, Notes and Note Guarantees with the same effect as if such surviving entity had been named therein as Parent, such Issuer or such Guarantor and, except in the case of a Transfer to Parent or any of its Restricted Subsidiaries, Parent, such Issuer or such Guarantor, as the case may be, will be released from the obligation to pay the principal of and interest on such Notes or in respect of its related Note Guarantee, as the case may be, and all of Parent's, such Issuer or such Guarantor's other obligations and covenants under such Notes, the Indenture and its related Note Guarantee, if applicable.

### ***Transactions with Affiliates***

The Indenture provides that Parent will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, enter into, amend or suffer to exist any transaction or series of related transactions (including, without limitation, the sale, purchase, exchange or lease of assets, property or services) with or for the benefit of any Affiliate (each an *Affiliate Transaction*) or extend, renew, waive or otherwise amend or modify the terms of any Affiliate Transaction entered into prior to the Issue Date unless the terms of such Affiliate Transaction are not materially less favorable to Parent or the relevant Restricted Subsidiary than those terms which could reasonably be obtained by Parent or such Restricted Subsidiary, as the case may be, in a comparable transaction made on an arm's-length basis between unaffiliated parties.

In any Affiliate Transaction (or any series of related Affiliate Transactions which are similar or part of a common plan) involving an amount or having a Fair Market Value in excess of \$100.0 million, Parent must either (i) obtain a board resolution of a majority of the disinterested members of the Board of Directors of Parent certifying that such Affiliate Transaction complies with the previous paragraph or (ii) obtain a favorable written opinion as to the fairness of such transaction or transactions, as the case may be, from an Independent Financial Advisor.

The foregoing provisions will not apply to:

- (1) any Affiliate Transaction that is between or among Parent and/or any one or more of its Restricted Subsidiaries;
- (2) any Restricted Payment or Permitted Investment that is not prohibited by the provisions described under *Restricted Payments* above;
- (3) reasonable fees, compensation, benefits and incentive arrangements paid or provided to, and indemnity provided on behalf of, officers, directors or employees or consultants of Parent or any Restricted Subsidiary as determined in good faith by Parent's Board of Directors or senior management;
- (4) any agreement as in effect as of the Issue Date or any amendment thereto or any transaction contemplated thereby (including pursuant to any amendment thereto) or in any replacement agreement thereto so long as any such amendment or replacement agreement is not materially more disadvantageous to the Holders, taken as a whole, than the original agreement as in effect on the Issue Date;
- (5) transactions effected as part of a Qualified Receivables Transaction;

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- (6) sales or issuances of Equity Interests (other than Disqualified Stock) of Parent to Affiliates of Parent;
- (7) transactions with a Person that is an Affiliate of Parent solely because Parent or a Restricted Subsidiary owns an Equity Interest in or controls such Person;
- (8) any transaction undertaken pursuant to the Constar Agreements, including any amendment thereto or replacement thereof so long as any such amendment or replacement agreement is not materially more disadvantageous to the Holders, taken as a whole, than the original Constar Agreement so amended or replaced; and
- (9) the non-recourse accommodation pledge of equity of any Unrestricted Subsidiary to support the Indebtedness of such Unrestricted Subsidiary to the extent such pledge is otherwise permitted under the Indenture.

## ***Creation of Subsidiaries***

The Indenture provides that Parent will not create, acquire or suffer to exist, and will not permit any of its Restricted Subsidiaries to create, acquire or suffer to exist, any Subsidiary other than:

- (1) a Restricted Subsidiary existing as of the Issue Date or that is acquired or created after the Issue Date; *provided, however*, that each Domestic Subsidiary (other than the Issuers) of Parent that from time to time is an obligor or guarantor under any Credit Facility including, without limitation, the Existing Credit Facility, must execute a Note Guarantee (and with such documentation relating thereto as are required under the Indenture, including, without limitation, a supplement or amendment to the Indenture and an Opinion of Counsel as to the enforceability of such Note Guarantee), pursuant to which such Restricted Subsidiary will become a Guarantor; or
- (2) an Unrestricted Subsidiary.

As of the date of issuance of the Notes it is expected that Parent will have no Unrestricted Subsidiaries other than Crownway Insurance Company, Crown Cork & Seal Receivables (DE) Corporation, Crown Americas Capital Corp. and Crown Americas Capital Corp. II.

A Note Guarantee of any Guarantor will be subject to release and discharge as described under the caption      Ranking and Guarantees.

## ***Reports***

The Indenture provides that, whether or not required by the rules and regulations of the Securities and Exchange Commission (the *SEC*), so long as any Notes are outstanding thereunder, the Issuers will furnish to the Trustee and Holders the following:

- (1) all quarterly and annual financial information of Parent that would be required to be contained in a filing with the SEC on Forms 10-Q and 10-K if Parent were required to file such Forms, including a Management's Discussion and Analysis of Financial Condition and Results of Operations that describes the financial condition and results of operations of Parent and its consolidated Subsidiaries (showing in reasonable detail, either on the face of the financial statements or in the footnotes thereto and in Management's Discussion and Analysis of Financial Condition and Results of Operations, the financial condition and results of operations of Unrestricted Subsidiaries of Parent, if any) and, with respect to the annual information only, a report thereon by Parent's certified independent accountants; and
  - (2) all current reports that would be required to be filed with the SEC on Form 8-K if Parent were required to file such reports,
- in each case, within the time periods specified in the SEC's rules and regulations.

In addition, whether or not required by the rules and regulations of the SEC, Parent will file a copy of all such information and reports with the SEC for public availability within the time periods specified in the SEC's rules and regulations (unless the SEC will not accept such a filing) and make such information available to securities analysts and prospective investors upon request. In addition, the Issuers and the Guarantors will, for so

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long as any Notes remain outstanding, furnish to the Holders of such Notes and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

### **No Personal Liability of Directors, Officers, Employees and Stockholders**

No director, officer, employee, incorporator or stockholder of Parent or of any Restricted Subsidiary of Parent, as such, shall have any liability for any obligations of the Issuers or the Guarantors under the Notes, the Indenture, the Note Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver may not be effective to waive liabilities under the federal securities laws.

### **Events of Default and Remedies**

The Indenture provides that each of the following constitutes an *Event of Default* :

- (1) default for 30 days in the payment when due of interest with respect to the Notes issued thereunder;
- (2) default in payment when due of principal or premium, if any, on the Notes issued thereunder at maturity, upon redemption or otherwise;
- (3) failure by Parent or any Restricted Subsidiary to comply with the provisions described under Repurchase at the Option of Holders Change of Control, Asset Sales or Certain Covenants Merger, Consolidation or Sale of Assets ;
- (4) failure by Parent or any Restricted Subsidiary of Parent for 60 days after receipt of notice from the Trustee or the Holders of at least 25% in principal amount of the Notes then outstanding under the Indenture to comply with any covenant or agreement contained in the Indenture (other than the covenants and agreements specified in clauses (1) through (3) of this paragraph);
- (5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness of Parent or any of its Restricted Subsidiaries (or the payment of which is Guaranteed by Parent or any of its Restricted Subsidiaries), whether such Indebtedness or Guarantee now exists or is created after the Issue Date, which default (a) is caused by a failure to pay when due at final stated maturity (giving effect to any grace period related thereto) principal of such Indebtedness (a *Payment Default* ) or (b) results in the acceleration of such Indebtedness prior to its stated maturity, and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates \$50.0 million or more;
- (6) failure by Parent or any of its Restricted Subsidiaries to pay final judgments (net of any amounts covered by insurance and as to which such insurer has not denied responsibility or coverage in writing) aggregating \$50.0 million or more, which judgments are not paid, discharged, bonded or stayed within 60 days after their entry;
- (7) certain events of bankruptcy or insolvency with respect to Parent, an Issuer or any other Restricted Subsidiary of Parent that is a Significant Subsidiary or group of Restricted Subsidiaries of Parent that, together, would constitute a Significant Subsidiary; and
- (8) any Note Guarantee of any Guarantor that is a Significant Subsidiary ceases to be in full force and effect (other than in accordance with the terms of such Note Guarantee and the Indenture) or is declared null and void and unenforceable or found to be invalid or any Guarantor denies its liability under its Note Guarantee (other than by reason of release of a Guarantor from its Note Guarantee in accordance with the terms of the Indenture and such Note Guarantee).

If any Event of Default under an Indenture occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the Notes then outstanding under the Indenture may declare all Notes issued under the Indenture to be due and payable by notice in writing to the Issuers and the Trustee, in the case of notice by Holders, specifying the respective Event of Default and that it is a notice of acceleration and the same shall become immediately due and payable. Notwithstanding the foregoing, in the case of an Event of Default arising



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under clause (7) above with respect to Parent or an Issuer, all outstanding Notes then outstanding under the Indenture will become due and payable without further action or notice. The Holders of any Notes may not enforce the Indenture relating to the Notes or the Notes except as provided in the Indenture. Subject to certain limitations, the Holders of a majority in principal amount of the then outstanding Notes issued under the Indenture may direct the Trustee in its exercise of any trust or power.

The Holders of a majority in aggregate principal amount of the Notes then outstanding under the Indenture, by written notice to the Trustee, may on behalf of the Holders of all of the Notes issued under the Indenture waive any existing Default or Event of Default and its consequences under the Indenture, except a continuing Default or Event of Default in the payment of interest or premium on, or principal of, such Notes. The Trustee may withhold from the Holders notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal or interest) if it determines that withholding notice is in the Holders' interest.

The Issuers are required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Issuers are required upon becoming aware of any Default or Event of Default to deliver to the Trustee a statement specifying such Default or Event of Default.

## **Satisfaction and Discharge**

The Indenture will be discharged and will, subject to certain surviving provisions, cease to be of further effect as to all Notes issued thereunder when:

(1) The Issuers deliver to the Trustee all outstanding Notes issued under the Indenture (other than Notes replaced because of mutilation, loss, destruction or wrongful taking) for cancellation; or

(2) all Notes outstanding under the Indenture have become due and payable, whether at maturity or as a result of the mailing of a notice of redemption as described above, or will become due and payable within one year, and the Issuers or any Guarantor irrevocably deposits with the Trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars, noncallable U.S. government securities, or a combination thereof, sufficient to pay at maturity or upon redemption all Notes outstanding under the Indenture, including interest thereon,

and if in either case the Issuers or any Guarantor pays all other sums payable under the Indenture by it. The Trustee will acknowledge satisfaction and discharge of the Indenture on demand of the Issuers accompanied by an officers' certificate and an Opinion of Counsel, upon which the Trustee shall have no liability in relying, stating that all conditions precedent to satisfaction and discharge have been satisfied and at the cost and expense of the Issuers.

## **Legal Defeasance and Covenant Defeasance**

The Issuers may, at their option and at any time, elect to have all of their obligations and the obligations of the Guarantors discharged with respect to the Notes outstanding under the Indenture ( *Legal Defeasance* ), except for:

(1) the rights of the Holders of the Notes outstanding under the Indenture to receive payments in respect of the principal amount of, premium, if any, and interest on such Notes when such payments are due from the trust referred to below;

(2) the Issuers obligations with respect to the Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties and immunities of the Trustee, and the Issuers' obligations in connection therewith; and

(4) the Legal Defeasance provisions of the Indenture.

In addition, the Issuers may, at their option and at any time, elect to have all of their obligations and the obligations of the Guarantors released with respect to certain covenants that are described in the Indenture

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( *Covenant Defeasance* ) and thereafter any omission to comply with such obligations shall not constitute a Default or Event of Default under the Indenture. In the event Covenant Defeasance occurs under the Indenture, certain events (not including non-payment, bankruptcy, receivership, rehabilitation and insolvency events) described under the caption *Events of Default and Remedies* will no longer constitute an Event of Default under the Indenture.

In order to exercise either Legal Defeasance or Covenant Defeasance under the Indenture:

- (1) the Issuers must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders of the Notes issued under the Indenture, cash in U.S. dollars, non-callable U.S. government securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants (such opinion shall be delivered to the Trustee and upon which the Trustee shall have no liability in relying), to pay the principal, premium, if any, and interest on the Notes outstanding under the Indenture on the stated maturity or on the applicable optional redemption date, as the case may be, and the Issuers must specify whether such Notes are being defeased to maturity or to a particular redemption date;
- (2) in the case of Legal Defeasance, the Issuers shall have delivered to the Trustee an Opinion of Counsel in the United States (upon which the Trustee shall have no liability in relying) confirming that (a) the Issuers have received from, or there has been published by, the Internal Revenue Service a ruling or (b) since the date of the Indenture, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders of the Notes outstanding under the Indenture will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;
- (3) in the case of Covenant Defeasance, the Issuers shall have delivered to the Trustee an Opinion of Counsel in the United States (upon which the Trustee shall have no liability in relying) confirming that the Holders of the Notes outstanding under the Indenture will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;
- (4) no Default or Event of Default shall have occurred and be continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) or insofar as Events of Default from bankruptcy or insolvency events are concerned, at any time in the period ending on the 91st day after the date of deposit;
- (5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under any material agreement or instrument (other than the Indenture) to which Parent or any of its Restricted Subsidiaries is a party or by which Parent or any of its Restricted Subsidiaries is bound;
- (6) the Issuers must have delivered to the Trustee an Opinion of Counsel (upon which the Trustee shall have no liability in relying) to the effect that assuming no intervening bankruptcy of an Issuer or any Guarantor between the date of deposit and the 91st day following the deposit and assuming that no Holder is an insider of either Issuer under applicable bankruptcy law, after the 91st day following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally;
- (7) the Issuers must deliver to the Trustee an officers' certificate (upon which the Trustee shall have no liability in relying) stating that the deposit was not made by the Issuers with the intent of preferring the Holders of Notes issued under the Indenture over the other creditors of an Issuer with the intent of defeating, hindering, delaying or defrauding creditors of an Issuer or others; and
- (8) the Issuers must deliver to the Trustee an officers' certificate and an Opinion of Counsel upon which the Trustee shall have no liability in relying, each stating that all conditions precedent provided for relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

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### **Transfer and Exchange**

A Holder of Notes may transfer or exchange Notes in accordance with the terms of the Indenture. The Registrar and Trustee may require a Holder of Notes, among other things, to furnish appropriate endorsements and transfer documents and the applicable issuer may require a Holder of Notes to pay any taxes and fees required by law or permitted by the Indenture. The Issuers are not required to transfer or exchange any Note selected for redemption. Also, the Issuers are not required to transfer or exchange any Note for a period of 15 days before a selection of Notes to be redeemed.

The registered Holder of a Note will be treated as the owner of it for all purposes.

### **Amendment, Supplement and Waiver**

Except to the extent provided in the next three succeeding paragraphs, the Indenture, the Notes governed thereby or any Note Guarantee issued thereunder may be amended with the consent of the Holders of at least a majority in principal amount of the then outstanding Notes issued under the Indenture voting as a single class (including, without limitation, consents obtained in connection with a purchase of, tender offer or exchange offer for Notes), and any existing default or compliance with any provision of the Indenture, the Notes governed thereby or any Note Guarantee issued thereunder may be waived with the consent of the Holders of a majority in principal amount of the then outstanding Notes issued under the Indenture voting as a single class (including, without limitation, consents obtained in connection with a purchase of, tender offer or exchange offer for Notes).

Except as provided in the immediately succeeding paragraph, without the consent of each Holder of Notes issued under the Indenture affected thereby, however, an amendment or waiver may not (with respect to any Note held by a non-consenting Holder):

- (1) reduce the principal amount of Notes issued under the Indenture whose Holders must consent to an amendment, supplement or waiver;
- (2) reduce the principal amount of or change the fixed maturity of any Notes, or alter the provisions with respect to the redemption of any such Notes other than, except as set forth in clause (7) below, the provisions relating to the covenants described under the caption Repurchase at the Option of Holders ;
- (3) reduce the rate of or change the time for payment of interest on any such Notes;
- (4) waive a Default or Event of Default in the payment of principal of or premium, if any, or interest on any such Notes (except a rescission of acceleration of Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Notes issued under the Indenture and a waiver of the payment default that resulted from such acceleration);
- (5) make any such Note payable in currency other than that stated in such Note;
- (6) make any change to the provisions of the Indenture relating to waiver of past Defaults or the rights of Holders of the Notes issued thereunder to receive payments of principal of or interest on the Notes;
- (7) after the Issuers' obligation to purchase Notes arises thereunder, amend, change or modify in any material respect the obligations of the Issuers to make and consummate a Change of Control Offer with respect to a Change of Control that has occurred or make and consummate an Asset Sale Offer with respect to any Asset Sale that has been consummated, including, without limitation, in each case, by amending, changing or modifying any of the definitions relating thereto;
- (8) release Parent, Crown or any other Guarantor that is a Significant Subsidiary from any of its obligations under its Note Guarantee or the Indenture otherwise than in accordance with the terms of the Indenture; or
- (9) modify or change any provision of the Indenture affecting the ranking of the Notes or Note Guarantees issued thereunder in a manner adverse to the Holders of Notes issued thereunder.

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Without the consent of any Holder of Notes, the Issuers and the Trustee may amend the Indenture, the Notes governed thereby or the Note Guarantees issued thereunder:

- to cure any ambiguity, defect or inconsistency;
- to provide for uncertificated Notes in addition to or in place of certificated Notes;
- to provide for the assumption of an Issuer or any Guarantor's obligations to the Holders of such Notes in the case of a merger or consolidation or sale of all or substantially all of such Issuer's or such Guarantor's assets;
- to secure the Notes;
- to add any Guarantor or release any Guarantor from its Note Guarantee if such release is in accordance with the terms of the Indenture;
- to make any change that would provide any additional rights or benefits to the Holders of such Notes or that does not adversely affect the rights under the Indenture of any Holder thereunder in any material respect; or
- to comply with requirements of the SEC in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act.

The consent of the Holders is not necessary under the Indenture to approve the particular form of any proposed amendment or waiver. It is sufficient if such consent approves the substance of the proposed amendment or waiver.

## **Concerning the Trustee**

The Indenture contains certain limitations on the rights of the Trustee, should the Trustee in its capacity as Trustee become a creditor of an Issuer, to obtain payment of claims in certain cases, or to realize on certain assets received in respect of any such claim as security or otherwise. The Trustee in its individual capacity is permitted to engage in other transactions with the Issuers; however, if the Trustee acquires any conflicting interest as defined under the Trust Indenture Act, it must eliminate such conflict within 90 days, apply to the SEC for permission to continue as Trustee or resign.

The Holders of a majority in principal amount of the then outstanding Notes under the Indenture have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee under the Indenture, subject to certain exceptions. The Indenture provides that in case an Event of Default of which a responsible officer of the Trustee has actual knowledge shall occur under the Indenture (which shall not be cured), the Trustee will be required, in the exercise of its power as provided in the Indenture, to use the degree of care of a prudent person under the circumstances in the conduct of such person's own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any Holder of Notes issued thereunder, unless such Holder shall have offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense. The Trustee's fees, expenses and indemnities are included in the amounts guaranteed by the Note Guarantees.

## **Governing Law**

The Indenture is, and the Notes and the Note Guarantees will be, governed by, and construed in accordance with, the laws of the State of New York.

## **Certain Definitions**

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

*Accounts Receivable Entity* means a Subsidiary of Parent or any other Person in which Parent or a Restricted Subsidiary of Parent makes an Investment:

- (1) that is formed solely for the purpose of, and that engages in no activities other than activities in connection with, financing accounts receivable;



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(2) that is designated by the Board of Directors of Parent as an Accounts Receivable Entity pursuant to a Board of Directors' resolution set forth in an officers' certificate (upon which the Trustee shall have no liability in relying) and delivered to the Trustee;

(3) no portion of the Indebtedness or any other obligation (contingent or otherwise) of which (a) is at any time Guaranteed by Parent or any Restricted Subsidiary of Parent (excluding Guarantees of obligations (other than any Guarantee of Indebtedness) pursuant to Standard Securitization Undertakings), (b) is at any time recourse to or obligates Parent or any Restricted Subsidiary of Parent in any way, other than pursuant to Standard Securitization Undertakings or (c) subjects any asset of Parent or any other Restricted Subsidiary of Parent, directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings (such Indebtedness, *Non-Recourse Accounts Receivable Entity Indebtedness*);

(4) with which neither Parent nor any Restricted Subsidiary of Parent has any material contract, agreement, arrangement or understanding other than contracts, agreements, arrangements and understandings entered into in the ordinary course of business on terms no less favorable to Parent or such Restricted Subsidiary than those that might be obtained at the time from Persons that are not Affiliates of Parent in connection with a Qualified Receivables Transaction and fees payable in the ordinary course of business in connection with servicing accounts receivable in connection with such a Qualified Receivables Transaction; and

(5) with respect to which neither Parent nor any Restricted Subsidiary of Parent has any obligation to maintain or preserve the solvency or any balance sheet term, financial condition, level of income or results of operations thereof.

*Acquired Debt* means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person merges with or into or becomes a Restricted Subsidiary of such specified Person, including Indebtedness incurred in connection with, or in contemplation of, such other Person merging with or into or becoming a Restricted Subsidiary of such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

*Affiliate* of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. No Person (other than Parent or any Subsidiary of Parent) in whom an Accounts Receivable Entity makes an Investment in connection with a financing of accounts receivable will be deemed to be an Affiliate of Parent or any of its Subsidiaries solely by reason of such Investment.

*amend* means to amend, supplement, restate, amend and restate or otherwise modify; and *amendment* shall have a correlative meaning.

*Applicable Treasury Rate* for any redemption date means the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15(519) that has become publicly available at least two business days prior to the Make-Whole Redemption of such Notes (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the Make-Whole Redemption Date to February 1, 2016; *provided, however*, that if the period from the Make-Whole Redemption Date to February 1, 2016 is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Applicable Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given except that if the period from the Make-Whole Redemption Date to February 1, 2016 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

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*asset* means any asset or property, whether real, personal or mixed, tangible or intangible.

*Asset Sale* means:

(1) the Transfer by Parent or any Restricted Subsidiary of Parent of any property or assets (*provided* that the Transfer of all or substantially all of the assets of Parent, Crown or an Issuer and their respective Restricted Subsidiaries, taken as a whole, will be governed by the applicable provisions of the covenant described under the caption *Certain Covenants Merger, Consolidation or Sale of Assets* and not by the provisions of the covenant described under the caption *Repurchase at the Option of Holders Asset Sales*); and

(2) the issue or sale by Parent or any of its Restricted Subsidiaries of Equity Interests of any of Parent's Restricted Subsidiaries.

Notwithstanding the foregoing, the following will not be deemed to be Asset Sales:

(1) sales of inventory in the ordinary course of business;

(2) sales of accounts receivables to the Accounts Receivable Entity pursuant to a Qualified Receivables Transaction for the Fair Market Value thereof, including cash in an amount at least equal to 75% of the Fair Market Value thereof;

(3) any transfer of accounts receivable, or a fractional undivided interest therein, by an Accounts Receivable Entity in a Qualified Receivables Transaction;

(4) any Transfer of assets (including, without limitation, Equity Interests of any Subsidiary) in a single transaction or a series of related transactions for which Parent and its Restricted Subsidiaries receive aggregate consideration or which assets have a Fair Market Value of less than \$25.0 million;

(5) a Transfer of assets by Parent to a Restricted Subsidiary of Parent (or to a Person that becomes a Restricted Subsidiary of Parent upon the consummation of such Transfer) or by a Restricted Subsidiary of Parent to Parent or to another Restricted Subsidiary of Parent (or to a Person that becomes a Restricted Subsidiary of Parent upon the consummation of such Transfer);

(6) an issuance of Equity Interests by a Restricted Subsidiary of Parent to Parent or to another Restricted Subsidiary;

(7) a Restricted Payment that is permitted by the covenant described under the caption *Certain Covenants Restricted Payments* or any Permitted Investment;

(8) the sale or disposition of cash or Cash Equivalents;

(9) any exchange of like property pursuant to Section 1031 of the Internal Revenue Code of 1986, as amended;

(10) the creation of Liens otherwise permitted under the Indenture, including, without limitation, a pledge of assets otherwise permitted by the Indenture;

(11) the grant in the ordinary course of business of any non-exclusive license of patents, trademarks, registrations thereof and other similar intellectual property;

(12) the sale or disposition of obsolete, damaged or worn out assets or assets no longer used or useful, in each case in the ordinary course of business; and

(13) the Transfer of property or assets (including any sale and leaseback transaction) the aggregate Fair Market Value of which assets, when taken together with the Fair Market Value of all other property or assets Transferred in reliance on this clause (13) (in each case measured on the date of such Transfer without giving effect to subsequent changes in value) does not exceed 3.0% of Consolidated Tangible Assets at the end of the most recent quarter ended prior to the date of such Transfer; *provided* that each such Transfer complies with clauses (1) and (2) of the first paragraph of the covenant described under the caption *Certain Covenants Repurchase at the Option of Holders Asset Sales* as if such Transfer were an Asset Sale.





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*Attributable Debt* in respect of a sale and leaseback transaction means, at the time of determination, the present value (discounted at the rate of interest implicit in such transaction, determined in accordance with GAAP) of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction (including any period for which such lease has been extended).

*Board of Directors* means, with respect to any Person, the board of directors or comparable governing body of such Person.

*Capital Lease Obligation* means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be so required to be capitalized on the balance sheet in accordance with GAAP.

*Capital Stock* means:

- (1) in the case of a corporation, corporate stock;
- (2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock; and
- (3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited).

*Cash Equivalents* means:

- (1) marketable direct obligations issued by, or unconditionally guaranteed by, the United States Government or any member state of the European Union (as it exists on the Issue Date) or issued by any agency or instrumentality thereof and backed by the full faith and credit of the United States of America or such member state of the European Union, in each case maturing within one year from the date of acquisition thereof;
- (2) marketable direct obligations issued by any State of the United States of America or any political subdivision of any such State or any public instrumentality thereof maturing within one year from the date of acquisition thereof and, at the time of acquisition, having one of the two highest ratings obtainable from either S&P or Moody's;
- (3) commercial paper maturing no more than one year from the date of creation thereof and, at the time of acquisition, having a rating of at least A-1 from S&P or at least P-1 from Moody's;
- (4) time deposits, demand deposits, certificates of deposit, Eurodollar time deposits or bankers' acceptances maturing within one year from the date of acquisition thereof or overnight bank deposits, in each case, issued by any bank organized under the laws of any member state of the European Union (as it exists on the Issue Date), the United States of America or any State thereof or the District of Columbia or any U.S. branch of a foreign bank having at the date of acquisition thereof combined capital and surplus of not less than \$250 million;
- (5) repurchase obligations with a term of not more than 90 days for underlying securities of the types described in clause (1) above entered into with any bank meeting the qualifications specified in clause (4) above; and
- (6) investments in money market funds which invest substantially all their assets in securities of the types described in clauses (1) through (5) above.

*CEH* means Crown European Holdings SA, a société anonyme organized under the laws of France, and its successor and assigns.

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

- (1) any Transfer (other than by way of merger or consolidation) of all or substantially all of the assets of Parent and its Subsidiaries taken as a whole to any person (as defined in Section 13(d) of the Exchange Act) or group (as defined in Sections 13(d)(3) and 14(d)(2) of the Exchange Act) other than any Transfer to Parent or one or more Restricted Subsidiaries of Parent or any Transfer to one or more Permitted Holders;

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(2) the adoption of a plan for the liquidation or dissolution of Parent or an Issuer (other than in a transaction that complies with the covenant described under **Certain Covenants Merger, Consolidation or Sale of Assets** );

(3) the consummation of any transaction or series of related transactions (including, without limitation, by way of merger or consolidation), the result of which is that any **person** (as defined above) or **group** (as defined above), other than one or more Permitted Holders, becomes, directly or indirectly, the **beneficial owner** (as defined above) of more than 50% of the voting power of the Voting Stock of Parent;

(4) during any consecutive two-year period, the first day on which a majority of the members of the Board of Directors of Parent who were members of the Board of Directors of Parent at the beginning of such period are not Continuing Directors; or

(5) the first day on which Parent fails to own, either directly or indirectly through one or more Wholly Owned Restricted Subsidiaries, 100% of the issued and outstanding Equity Interests of Crown, Crown Americas or Capital Corp III.

**Consolidated EBITDA** means, with respect to any Person for any period, the Consolidated Net Income of such Person and its Restricted Subsidiaries for such period, *plus*, to the extent deducted in computing Consolidated Net Income:

(1) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period;

(2) Consolidated Interest Expense of such Person for such period;

(3) depreciation and amortization (including amortization of goodwill and other intangibles) and all other non-cash charges (excluding any such non-cash charge to the extent that it represents an accrual of or reserve for cash charges in any future period or amortization of a prepaid cash expense that was paid in a prior period) of such Person and its Restricted Subsidiaries for such period; and

(4) any non-recurring restructuring charges or expenses of such Person and its Restricted Subsidiaries for such period,

in each case, on a consolidated basis determined in accordance with GAAP. Notwithstanding the foregoing, the provision for taxes based on the income or profits of, and the depreciation and amortization and other non-cash charges and non-recurring restructuring charges or expenses of, a Restricted Subsidiary of a Person shall be added to Consolidated Net Income to compute Consolidated EBITDA only to the extent (and in the same proportion) that the net income or loss of such Restricted Subsidiary was included in calculating the Consolidated Net Income of such Person.

**Consolidated Interest Expense** means, with respect to any Person for any period, the interest expense of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP (including amortization of original issue discount and deferred financing costs, non-cash interest payments, the interest component of all payments associated with Capital Lease Obligations, capitalized interest, net payments, if any, pursuant to Hedging Obligations and imputed interest with respect to Attributable Debt).

**Consolidated Net Income** means, with respect to any Person for any period, the aggregate of the net income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP; provided that:

(1) the net income (but not loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting shall be included only to the extent of the amount of dividends or distributions paid to the referent Person or (subject to clause (4) below) a Restricted Subsidiary thereof in cash;

(2) the cumulative effect of a change in accounting principles shall be excluded;

(3) the net income of any Restricted Subsidiary of such Person shall be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted

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Subsidiary of that net income is not permitted, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, law, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders;

(4) in the case of a successor to such Person by consolidation or merger or as a transferee of such Person's assets, any earnings of the successor corporation prior to such consolidation, merger or transfer of assets shall be excluded;

(5) any net gain or loss resulting from an Asset Sale by the Person in question or any of its Restricted Subsidiaries other than in the ordinary course of business shall be excluded;

(6) extraordinary gains and losses shall be excluded;

(7) any fees, charges, costs and expenses incurred in connection with the Financing Transaction shall be excluded; and

(8)(a) the amount of any write-off of deferred financing costs or of indebtedness issuance costs and the amount of charges related to any premium paid in connection with repurchasing or refinancing indebtedness shall be excluded and (b) all non-recurring expenses and charges relating to such repurchase or refinancing of indebtedness or relating to any incurrence of indebtedness, in each case, whether or not such transaction is consummated, shall be excluded.

*Consolidated Net Tangible Assets* means the aggregate amount of assets (less applicable reserves and other properly deductible items) after deducting therefrom (a) all current liabilities and (b) all goodwill, trade names, trademarks, patents, unamortized debt discount and expense (to the extent included in said aggregate amount of assets) and other like intangibles, all as set forth in the most recent consolidated balance sheet of Parent and its Restricted Subsidiaries and computed in accordance with generally accepted accounting principles.

*Consolidated Tangible Assets* means the aggregate amount of assets (less applicable reserves and other properly deductible items) after deducting therefrom all goodwill, trade names, trademarks, patents, unamortized debt discount and expense (to the extent included in said aggregate amount of assets) and other like intangibles, all as set forth in the most recent consolidated balance sheet of Parent and its Restricted Subsidiaries and computed in accordance with GAAP. Consolidated Tangible Assets shall be calculated after giving effect to the transaction giving rise to the need to calculate Consolidated Tangible Assets.

*Constar* means Constar International Inc., a Delaware corporation.

*Constar Agreements* means each of the agreements entered into between Crown and Constar in connection with its initial public offering, as such agreements are in effect on the Issue Date.

*Continuing Directors* means, as of any date of determination, any member of the Board of Directors of the relevant Person who:

(1) was a member of such Board of Directors on the Issue Date; or

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

*Credit Facilities* means one or more debt facilities (including, without limitation, the Existing Credit Facility) or commercial paper facilities or capital markets financings, in each case with banks or other lenders providing for revolving credit loans, term loans, notes or letters of credit, in each case as any such agreement may be amended or refinanced, including any agreement(s) extending the maturity of or refinancing (including increasing the amount of available borrowings thereunder (*provided* that such increase in borrowings is permitted by the covenant described under the caption "Certain Covenants: Incurrence of Indebtedness and Issuance of Preferred Stock") or adding Parent or Subsidiaries of Parent as borrowers or guarantors thereunder) all or any portion of the Indebtedness under such agreement(s) or any successor or replacement agreement and whether by the same or any other agent, lender or group of lenders or creditor or group of creditors.

*Crown* means Crown Cork & Seal Company, Inc., a Pennsylvania corporation, and its successors and assigns.

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

*Designated Non-cash Consideration* means the Fair Market Value of non-cash consideration received by the Parent or a Restricted Subsidiary in connection with an Asset Sale that is so designated as Designated Non-cash Consideration pursuant to an officer's certificate, setting forth the basis of such valuation, executed by the principal financial officer of the Parent, less the amount of cash and Cash Equivalents received in connection with a subsequent sale of or collection of such Designated Non-cash Consideration.

*Disqualified Stock* means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable, except to the extent such capital stock is exchangeable into Indebtedness at the option of the issuer thereof and only subject to the terms of any debt instrument to which such issuer is a party), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder thereof, in whole or in part, or convertible or exchangeable into Indebtedness on or prior to the date on which the Notes mature; *provided, however*, that any Capital Stock that would constitute Disqualified Stock solely because the holders thereof have the right to require Parent or a Restricted Subsidiary to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale shall not constitute Disqualified Stock if the terms of such Capital Stock provide that the Parent or such Restricted Subsidiary may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with the covenant described under the caption *Certain Covenants Restricted Payments*.

*Domestic Subsidiary* means a Restricted Subsidiary which is organized under the laws of the United States or any State thereof or the District of Columbia.

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

*Equity Offering* means any public or private sale of common stock (other than Disqualified Stock) of Parent (other than public offerings pursuant to Form S-8 or otherwise relating to Equity Interests issuable under any employee benefit plan of Parent).

*Exchange Act* means the Securities Exchange Act of 1934, as amended.

*Exchange Notes* means debt securities of the Issuers with terms substantially identical to the Notes issued in exchange for an equal principal amount of Notes pursuant to an exchange offer registered under the Securities Act in accordance with the terms of the Registration Rights Agreement.

*Exempted Indebtedness* means as of any particular time the sum of (i) all then outstanding Indebtedness of Parent and Principal Properties Subsidiaries incurred after the Issue Date and secured by any mortgage, security interest, pledge or lien other than those permitted by the second paragraph under *Certain Covenants Liens*, and (ii) all Attributable Debt with respect to Post Termination Date Sale and Leaseback Transactions entered into by Parent and Principal Properties Subsidiaries after the Issue Date other than those permitted by the second paragraph under *Certain Covenants Sale and Leaseback Transactions*.

*Existing Credit Facility* means the Credit Agreement dated as of November 18, 2005 as amended as of the Issue Date, as such agreement may be amended or refinanced, including any agreement(s) extending the maturity of or refinancing (including increasing the amount of available borrowings thereunder (*provided* that such increase in borrowings is permitted by the covenant described under the caption *Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock*)) or adding Parent or Subsidiaries of Parent as borrowers or guarantors thereunder) all or any portion of the Indebtedness under such agreement(s) or any successor or replacement agreement(s) and whether by the same or any other agent, lender or group of lenders or creditor or group of creditors.

*Existing Indebtedness* means Indebtedness of Parent and its Restricted Subsidiaries in existence on the Issue Date after giving effect to the use of proceeds from the issuance of the Notes (other than amounts outstanding under the Existing Credit Facility).

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*Existing Secured Notes* means, to the extent outstanding on the Issue Date, 460,000,000 aggregate principal amount of ~~7~~0% First Priority Senior Secured Notes due 2011 of CEH issued under the indenture dated as of September 1, 2004 among CEH, the guarantors named therein and Wells Fargo Bank, N.A., as trustee.

*Existing Unsecured Notes* means each of the following to the extent outstanding on the Issue Date:

- (1) \$350 million original principal amount of 7 <sup>3</sup>/<sub>8</sub>% Debentures due 2026 of Crown issued under the 1996 Indenture; and
- (2) \$150 million original principal amount of 7 <sup>1</sup>/<sub>2</sub>% Debentures due 2096 of Crown issued under the 1996 Indenture.

*Existing Unsecured Notes Principal Properties Subsidiary* means a Restricted Subsidiary as defined under the 1996 Indenture as in effect on the Issue Date.

*Existing Unsecured Notes Principal Property* means any single manufacturing or processing plant or warehouse (excluding any equipment or personalty located therein), other than any such plant or warehouse or portion thereof that the Board of Directors of Crown reasonably determines is not of material importance to the business conducted by Crown and its subsidiaries as an entirety.

*Fair Market Value* means, with respect to any asset, the price (after taking into account any liabilities relating to such assets) that would be negotiated in an arm's-length transaction for cash between a willing seller and a willing and able buyer, neither of which is under any compulsion to complete the transaction, as such price is determined in good faith by management of Parent or by the Board of Directors of Parent or a duly authorized committee thereof.

*Financing Transaction* means issuance of the Notes and the application of the net proceeds thereof as described in this prospectus.

*First Priority Notes Issue Date* means September 1, 2004.

*Fixed Charge Coverage Ratio* as of any date of determination means the ratio of (a) the aggregate amount of Consolidated EBITDA for the period of the most recent four consecutive fiscal quarters for which internal financial statements are available to (b) Fixed Charges for such four fiscal quarters; *provided that*:

(1) if Parent or any Restricted Subsidiary of Parent has (y) incurred any Indebtedness or issued Preferred Stock since the beginning of such period that remains outstanding on such date of determination or if the transaction giving rise to the need to calculate the Fixed Charge Coverage Ratio is an incurrence of Indebtedness or issuance of Preferred Stock or both, Consolidated EBITDA and Fixed Charges for such period shall be calculated after giving effect on a *pro forma* basis to such Indebtedness or Preferred Stock (and the application of the proceeds thereof) as if the incurrence of such Indebtedness or issuance of such Preferred Stock (and the application of the proceeds thereof) had occurred on the first day of such period or (z) repaid, retired, repurchased or redeemed any Indebtedness or Preferred Stock of Parent or any Restricted Subsidiary of Parent since the beginning of such period, Consolidated EBITDA and Fixed Charges for such period shall be calculated after giving effect on a *pro forma* basis to the repayment, retirement, repurchase or redemption of such Indebtedness or Preferred Stock as if such Indebtedness or Preferred Stock had been repaid, retired, repurchased or redeemed on the first day of such period (except that, in the case of Indebtedness used to finance working capital needs incurred under a revolving credit facility or similar arrangement, the amount thereof shall be deemed to be the average daily balance of such Indebtedness during such four fiscal quarter period);

(2) if since the beginning of such period Parent or any Restricted Subsidiary of Parent shall have Transferred any assets outside the ordinary course of business, the Consolidated EBITDA for such period shall be reduced by an amount equal to the Consolidated EBITDA (if positive) directly attributable to the assets which are the subject of such Transfer for such period, or increased by an amount equal to the Consolidated EBITDA (if negative) directly attributable thereto for such period, and Fixed Charges for such period shall be reduced by an amount equal to the Fixed Charges directly attributable to any Indebtedness or Preferred Stock of Parent or any Restricted Subsidiary of Parent repaid, repurchased, defeased, assumed by a third person (to the extent Parent and its Restricted

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Subsidiaries are no longer liable for such Indebtedness or Preferred Stock) or otherwise discharged with respect to Parent and its continuing Restricted Subsidiaries in connection with such Transfer for such period (or, if the Capital Stock of any Restricted Subsidiary of Parent is sold, the Fixed Charges for such period directly attributable to the Indebtedness or Preferred Stock of such Restricted Subsidiary to the extent Parent and its continuing Restricted Subsidiaries are no longer liable for such Indebtedness or Preferred Stock after such sale);

(3) if since the beginning of such period Parent or any Restricted Subsidiary of Parent (by merger or otherwise) shall have made an Investment in any Restricted Subsidiary of Parent (or any Person which becomes a Restricted Subsidiary of Parent) or an acquisition of assets, which acquisition constitutes all or substantially all of an operating unit of a business, including any such Investment or acquisition occurring in connection with a transaction requiring a calculation to be made hereunder, Consolidated EBITDA and Fixed Charges for such period shall be calculated after giving *pro forma* effect thereto (including the incurrence of any Indebtedness or issuance of Preferred Stock) as if such Investment or acquisition occurred on the first day of such period;

(4) if since the beginning of such period any Person (that subsequently became a Restricted Subsidiary of Parent or was merged with or into Parent or any Restricted Subsidiary of Parent since the beginning of such period) shall have made any Transfer of assets outside the ordinary course of business, any Investment or acquisition of assets that would have required an adjustment pursuant to clause (2) or clause (3) above if made by Parent or a Restricted Subsidiary of Parent during such period, Consolidated EBITDA and Fixed Charges for such period shall be calculated after giving *pro forma* effect thereto as if such Transfer, Investment or acquisition occurred on the first day of such period; and

(5) if during the beginning of such period Parent or any Restricted Subsidiary of Parent shall have identified any operations as discontinued operations, as determined in accordance with GAAP, the Consolidated EBITDA for such period shall be reduced by an amount equal to the Consolidated EBITDA (if positive) directly attributable to such discontinued operations or increased by an amount equal to the Consolidated EBITDA (if negative) directly attributable thereto.

For purposes of this definition, whenever *pro forma* effect is to be given to any Investment, acquisition or Transfer of assets, the amount of income, earnings or expense relating thereto and the amount of Fixed Charges associated with any Indebtedness or Preferred Stock incurred in connection therewith, the *pro forma* calculations shall be prepared in accordance with Regulation S-X promulgated by the SEC. If any Indebtedness bears a floating rate of interest and is being given *pro forma* effect, the interest of such Indebtedness shall be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account any Hedging Obligations applicable to such Indebtedness if such Hedging Obligations has a remaining term in excess of 12 months).

*Fixed Charges* means, with respect to any Person for any period, the sum of:

(1) the Consolidated Interest Expense of such Person for such period; and

(2) any interest expense on Indebtedness of another Person that is (a) Guaranteed by the referent Person or one of its Restricted Subsidiaries (whether or not such Guarantee is called upon) or (b) secured by a Lien on assets of such Person or one of its Restricted Subsidiaries (whether or not such Lien is called upon); *provided* that with respect to clause (2)(b), the amount of Indebtedness (and attributable interest expense) shall be equal to the lesser of (x) the principal amount of the Indebtedness secured by the assets of such Person or one of its Restricted Subsidiaries and (y) the Fair Market Value of the assets securing such Indebtedness; and

(3) the product of (a) all cash dividend payments (and non-cash dividend payments in the case of a Person that is a Restricted Subsidiary) on any series of Preferred Stock of such Person, times (b) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined federal, state and local statutory tax rate of such Person, expressed as a decimal, in each case, on a consolidated basis and in accordance with GAAP.

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*Foreign Subsidiary* means any Restricted Subsidiary other than a Domestic Subsidiary.

*Funded Debt* means any indebtedness of Parent or any Principal Properties Subsidiary for borrowed money having a maturity of more than 12 months from the date such indebtedness was incurred or having a maturity of less than 12 months but by its terms being renewable or extendable beyond 12 months from the date such indebtedness was incurred at the option of the obligor.

*GAAP* means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be approved by a significant segment of the accounting profession of the United States, which are in effect on February 26, 2003.

*Guarantee* means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including, without limitation, through letters of credit and reimbursement agreements in respect thereof), of all or any part of any Indebtedness. *Guarantee* when used as a verb shall have a corresponding meaning.

*Guarantor* means:

(1) Parent;

(2) each Restricted Subsidiary that executes and delivers a Note Guarantee pursuant to the covenant described under *Certain Covenants Creation of Subsidiaries* ; and

(3) each Restricted Subsidiary that otherwise executes and delivers a Note Guarantee,

in each case, until such time as such Person is released from its Note Guarantee in accordance with the provisions of the Indenture.

*Hedging Obligations* means, with respect to any Person, the obligations of such Person under:

(1) any interest rate protection agreements including, without limitation, interest rate swap agreements, interest rate cap agreements and interest rate collar agreements;

(2) any foreign exchange contracts, currency swap agreements or other agreements or arrangements designed to protect such Person against fluctuations in interest rates or foreign exchange rates;

(3) any commodity futures contract, commodity option or other similar arrangement or agreement designed to protect such Person against fluctuations in the prices of commodities; and

(4) indemnity agreements and arrangements entered into in connection with the agreements and arrangements described in clauses (1), (2) and (3).

*Holder* means any registered holder, from time to time, of any Notes.

*incur* means, with respect to any Indebtedness (including Acquired Debt), to create, incur, issue, assume, Guarantee or otherwise become directly or indirectly liable for or with respect to, or become responsible for, the payment of such Indebtedness (including Acquired Debt). The term *incurrence* has a corresponding meaning.

*Indebtedness* means, with respect to any Person, without duplication, and whether or not contingent:

(1) all indebtedness of such Person for borrowed money or for the deferred purchase price of assets or services or which is evidenced by a note, bond, debenture or similar instrument (but excluding trade accounts payable and other accrued liabilities arising in the ordinary course of business), to the extent it would appear as a liability upon a balance sheet of such Person prepared in accordance with GAAP;

(2) all Capital Lease Obligations of such Person;

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(3) all obligations of such Person in respect of letters of credit or bankers' acceptances issued or created for the account of such Person other than obligations with regard to letters of credit securing obligations (other than obligations of the type described in clause (1) above) entered into in



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the ordinary course of business of such Person to the extent such letters of credit are not drawn upon or, if and to the extent drawn upon, such drawing is reimbursed no later than the tenth business day following receipt by such Person of a demand for reimbursement following payment on the letter of credit;

(4) net obligations of such Person under Hedging Obligations if and to the extent such would appear as a liability upon a balance sheet of such Person prepared in accordance with GAAP;

(5) all Disqualified Stock issued by such Person, valued at the greater of its voluntary or involuntary maximum fixed repurchase price;

(6) all Attributable Debt of such Person;

(7) to the extent not otherwise included, any Guarantee by such Person of any other Person's indebtedness or other obligations described in clauses (1) through (6) above; and

(8) all Indebtedness of the type described in clauses (1) through (7) above of others secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; *provided* that the amount of such Indebtedness shall be the lesser of (x) the Fair Market Value of such asset at such date of determination and (y) the amount of such Indebtedness.

For purposes hereof, the maximum fixed repurchase price of any Disqualified Stock which does not have a fixed repurchase price shall be calculated in accordance with the terms of such Disqualified Stock as if such Disqualified Stock were purchased on any date on which Indebtedness shall be required to be determined pursuant to the Indenture, and if such price is based upon, or measured by the Fair Market Value of, such Disqualified Stock, such Fair Market Value is to be determined in good faith by the Board of Directors of the issuer of such Disqualified Stock. The amount of Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations as described above and the maximum liability, upon the occurrence of the contingency giving rise to the obligation, of any contingent obligations as described above at such date; *provided* that the amount outstanding at any time of any Indebtedness issued with original issue discount shall be deemed to be the face amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with GAAP. Notwithstanding the foregoing, Standard Securitization Undertakings shall not constitute Indebtedness, and take-or-pay obligations contained in supply agreements entered into in the ordinary course of business shall not constitute Indebtedness.

*Independent Financial Advisor* means an accounting, appraisal or investment banking or consulting firm of national reputation in the United States:

(1) which does not, and whose directors, officers and employees or Affiliates do not, have a direct or indirect financial interest in Parent or any of its Subsidiaries; and

(2) which, in the judgment of the Board of Directors of Parent, is otherwise independent and qualified to perform the task for which it is to be engaged.

*Investment Grade Rating* means a rating equal to or higher than Baa3 (or the equivalent) by Moody's and BBB- (or the equivalent) by S&P or the equivalent rating by any Successor Rating Agency.

*Investments* means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the forms of direct or indirect loans (including Guarantees of Indebtedness or other obligations), advances or capital contributions (excluding commission, travel, moving and similar advances to officers, directors and employees and advances to customers, in each case made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all other items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP; *provided* that an acquisition of assets, Equity Interests or other securities by Parent for consideration consisting of common equity securities of Parent shall not be deemed to be an Investment. If Parent or any Restricted Subsidiary of Parent sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary of Parent, or any Restricted Subsidiary of Parent issues Equity Interests, such that, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary of Parent, Parent

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shall be deemed to have made an Investment on the date of any such sale, disposition or issuance equal to the Fair Market Value of the Equity Interests of such Person held by Parent or such Restricted Subsidiary immediately following any such sale, disposition or issuance.

*Issue Date* means January 31, 2011, the date on which the old notes were first issued under the Indenture.

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

*Make-Whole Premium* means, with respect to a Note at any Make-Whole Redemption Date, an amount equal to the greater of (i) 1.0% of the principal amount of such Note and (ii) the excess, if any, of (x) the present value of the sum of the principal amount and premium that would be payable on such Note on February 1, 2016 and all remaining interest payments to and including February 1, 2016 (but excluding any interest accrued to the Make-Whole Redemption Date), discounted on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) from February 1, 2016 to the Make-Whole Redemption Date at a per annum interest rate equal to the Applicable Treasury Rate on such Make-Whole Redemption Date plus 0.50%, over (y) the outstanding principal amount of such Note.

*Make-Whole Redemption Date* with respect to a Make-Whole Redemption, means the date such Make Whole Redemption is effectuated.

*Minority Equity Interest* means any Equity Interest in any Person engaged in a line of business which is complementary, reasonably related, ancillary or useful to any business in which Parent or its Restricted Subsidiaries is then engaged, where such Equity Interest constitutes less than 50% of all Equity Interests issued and outstanding of such Person.

*Moody's* means Moody's Investors Service, Inc., and its successors.

*Net Proceeds* means the aggregate cash proceeds received by Parent or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of (i) the direct costs relating to such Asset Sale (including, without limitation, legal, accounting and investment banking fees, and sales commission and any relocation expenses incurred as a result thereof), (ii) taxes paid or payable as a result thereof, (iii) amounts required to be applied to the repayment of Indebtedness secured by a Lien which is permitted under the Indenture on the asset or assets that are the subject of such Asset Sale and (iv) any reserve for adjustment in respect of the sale price of such asset or assets established in accordance with GAAP and for the after-tax cost of any indemnification payments (fixed or contingent) attributable to sellers' indemnities to purchasers.

*1996 Indenture* means the Indenture dated as of December 17, 1996 among Crown, Crown Cork & Seal Finance PLC, Crown Cork & Seal Finance, S.A. and The Bank of New York, as trustee.

*Non-Guarantor Subsidiary* means any Subsidiary that is not a Guarantor.

*Opinion of Counsel* means a written opinion from legal counsel who is reasonably acceptable to the Trustee. Such counsel may be an employee of or counsel to Parent or any of its Subsidiaries.

*Parent* means Crown Holdings, Inc., a Pennsylvania corporation, and its successor and assigns.

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*Pari Passu Indebtedness* means, with respect to an Issuer or any Guarantor, Indebtedness of such Issuer or Guarantor unless, with respect to any item of Indebtedness, the instrument creating or evidencing the same or pursuant to which the same is outstanding or any other agreement governing the terms of such Indebtedness expressly provides that such Indebtedness shall be subordinated in right of payment to any other item of Indebtedness of such Issuer or Guarantor. Notwithstanding the foregoing, *Pari Passu Indebtedness* shall not include:

- (i) Indebtedness of Parent owed to any Restricted Subsidiary of Parent or Indebtedness of any such Restricted Subsidiary owed to Parent or any other Restricted Subsidiary of such Restricted Subsidiary;
- (ii) Indebtedness incurred in violation of the Indenture; and
- (iii) Indebtedness represented by Disqualified Stock.

*Permitted Asset Swap* means the concurrent purchase and sale or exchange of Replacement Assets or a combination of Replacement Assets and cash or Cash Equivalents between Parent or any of its Restricted Subsidiaries and another Person that is not Parent or any of its Restricted Subsidiaries; *provided* that any cash and Cash Equivalents must be applied in accordance with the covenant described under *Repurchase at the Option of Holders Asset Sales*.

*Permitted Business* means the lines of business conducted by Parent and its Restricted Subsidiaries on the date hereof and businesses substantially similar, related or incidental thereto or reasonable extensions thereof.

*Permitted Holders* means collectively, the executive officers of Parent on the Issue Date.

*Permitted Investments* means:

- (1) Investments in Parent or any Restricted Subsidiary;
- (2) Investments in cash and Cash Equivalents;
- (3) Investments by Parent or any Restricted Subsidiary of Parent in, or the purchase of the securities of, a Person if, as a result of such Investment, (a) such person becomes a Restricted Subsidiary or (b) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, Parent or a Restricted Subsidiary;
- (4) Investments in accounts and notes receivable acquired in the ordinary course of business;
- (5) Investments received or acquired in compromise of, or in respect of, obligations of, claims against or disputes with, any Person (other than Parent or any Restricted Subsidiary or Affiliate), including, but not limited to, pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of such Person;
- (6) any non-cash consideration received in connection with an Asset Sale that complies with the covenant described under the caption *Repurchase at the Option of Holders Asset Sales* ;
- (7) Investments in connection with Hedging Obligations permitted to be incurred under the covenant described under the caption *Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock* ;
- (8) commission, payroll, travel and similar loans and advances to employees in the ordinary course of business;
- (9) any Investment by Parent or any Restricted Subsidiary of Parent in an Accounts Receivable Entity or any Investment by an Accounts Receivable Entity in any other Person in connection with a Qualified Receivables Transaction, so long as any Investment in an Accounts Receivable Entity is in the form of a Purchase Money Note or an Equity Interest;
- (10) any Investments (i) the consideration for which consists exclusively of Qualified Capital Stock of Parent and (ii) in any Unrestricted Subsidiary, joint venture or any Minority Equity Interest made by exchange for, or out of the net cash proceeds of the substantially concurrent sale of,



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Qualified Capital Stock of Parent; *provided* that the amount of any such net cash proceeds that are utilized for any such Investment shall be excluded for purposes of clause (c) of the first paragraph of **Certain Covenants Restricted Payments** in determining the amount available for Restricted Payments;

(11) Investments existing on the Issue Date, and any extension, modification or renewal of any Investments existing on the Issue Date, but only to the extent not involving additional advances, contributions or other Investments of cash or other assets or other increases thereof (other than as a result of the accrual or accretion of interest or original issue discount or the issuance of pay-in-kind securities, in each case, pursuant to the terms of such Investment as in effect on the Issue Date);

(12) Investments in an aggregate amount not to exceed \$250 million at anytime outstanding;

(13) additional Investments in one or more Persons engaged in a line of business which is complementary, reasonably related, ancillary or useful to any business in which Parent or its Restricted Subsidiaries is then engaged, in an aggregate amount not to exceed 2.5% of Total Assets at any time outstanding; and

(14) Investments in Permitted Joint Ventures in an aggregate amount not to exceed \$250 million at any time outstanding.

*Permitted Joint Venture* means an entity characterized as a joint venture, however structured, engaged in a Permitted Business and in which Parent or any Restricted Subsidiary of Parent (a) owns at least 40% of the ownership interest or (b) has a right to receive at least 40% of the profits or distributions; *provided* that such joint venture is not a Subsidiary of Parent.

*Permitted Liens* means:

(1) (a) Liens securing Indebtedness under any Credit Facility permitted to be incurred under clause (1) of the second paragraph described under the caption **Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock** ; and

(b) Liens securing Indebtedness (other than Subordinated Indebtedness) permitted by the covenant described under the caption **Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock** ; *provided* that any such Lien, taken together with all other Liens incurred in reliance on this clause (b), shall not secure Indebtedness in a principal amount at the time such Lien is incurred exceeding

(i) the greater of (x) \$3.0 billion and (y) the product of 3.0 times Parent's Trailing Consolidated EBITDA Amount, *less*

(ii) the sum of (x) the then outstanding aggregate principal amount of Existing Secured Notes and/or any Permitted Refinancing Indebtedness thereof in each case to the extent constituting Secured Indebtedness and (y) the maximum amount of Indebtedness then permitted to be incurred under clause (1) of the second paragraph described under the caption **Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock** ;

(2) to the extent and in the manner required by the terms of the Existing Unsecured Notes as in effect on the Issue Date, Liens on Existing Unsecured Notes Principal Property of Crown and its Existing Unsecured Notes Principal Properties Subsidiaries and on any shares of capital stock or evidences of indebtedness for borrowed money issued by any Existing Unsecured Notes Principal Properties Subsidiary of Crown and owned by Crown or any Existing Unsecured Notes Principal Properties Subsidiary of Crown securing the obligations of Crown or such Existing Unsecured Notes Principal Properties Subsidiary under the Existing Unsecured Notes;

(3) Liens on assets of a Person merged with or into or consolidated with Parent or any Restricted Subsidiary of Parent after the Issue Date existing at the time such Person is merged with or into or consolidated with Parent or any Restricted Subsidiary of Parent; *provided* that such Liens were not incurred in connection with, or in contemplation of, such merger or consolidation and do not extend to any assets of Parent or any Restricted Subsidiary of Parent other than the assets of such Person acquired in such merger or consolidation;

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- (4) Liens on assets of a Person that becomes a Restricted Subsidiary of Parent existing at the time such Person becomes a Restricted Subsidiary of Parent; *provided* that such Liens were not incurred in connection with, or in contemplation of, such Person becoming a Restricted Subsidiary of Parent and do not extend to any assets of Parent or any Restricted Subsidiary of Parent;
- (5) Liens on assets acquired after the Issue Date existing at the time of acquisition thereof by Parent or any Restricted Subsidiary of Parent; *provided* that such Liens were not incurred in connection with, or in contemplation of, such acquisition and do not extend to any assets of Parent or any Restricted Subsidiary of Parent other than the specific assets so acquired;
- (6) landlords, carriers, warehousemen, mechanics, suppliers, materialmen or other like Liens, in any case incurred in the ordinary course of business with respect to amounts (a) not yet delinquent or (b) being contested in good faith by appropriate proceedings promptly instituted and diligently conducted;
- (7) Liens for taxes, assessments or governmental charges or claims or other like statutory Liens, that (a) are not yet delinquent or (b) are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; *provided* that any reserve or other appropriate provision as shall be required in conformity with GAAP shall have been made therefor;
- (8) Liens to secure Indebtedness permitted by (a) clause (3) of the second paragraph of the covenant described under the caption **Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock** covering only the assets acquired with such Indebtedness and (b) clause (7) of the second paragraph under **Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock**;
- (9) Liens securing Indebtedness incurred to refinance Indebtedness that has been secured by a Lien permitted by the Indenture; *provided* that (a) any such Lien shall not extend to or cover any assets not securing the Indebtedness so refinanced and (b) the refinancing Indebtedness secured by such Lien shall have been permitted to be incurred pursuant to clause (5) of the second paragraph of the covenant described under the caption **Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock**;
- (10)(a) Liens in the form of zoning restrictions, easements, licenses, reservations, covenants, conditions or other restrictions on the use of real property or other minor irregularities in title (including leasehold title) that do not (i) secure Indebtedness or (ii) individually or in the aggregate materially impair the value or marketability of the real property affected thereby or the occupation, use and enjoyment in the ordinary course of business of Parent and the Restricted Subsidiaries at such real property and (b) with respect to leasehold interests in real property, mortgages, obligations, liens and other encumbrances incurred, created, assumed or permitted to exist and arising by, through or under a landlord or owner of such leased property encumbering the landlord's or owner's interest in such leased property;
- (11) Liens in the form of pledges or deposits securing bids, tenders, contracts (other than contracts for the payment of Indebtedness) or leases, warranties, statutory or regulatory obligations or self-insurance arrangements arising in the ordinary course of business, banker's acceptances, surety and appeal bonds, performance bonds and other obligations of a similar nature to which Parent or any Restricted Subsidiary is a party, in each case, made in the ordinary course of business;
- (12) Liens resulting from operation of law with respect to any judgments, awards or orders to the extent that such judgments, awards or orders do not cause or constitute a Default under the Indenture;
- (13) Liens in the form of licenses, leases or subleases granted or created by Parent or any Restricted Subsidiary in the ordinary course of business, which licenses, leases or subleases do not interfere, individually or in the aggregate, in any material respect with the business of Parent or such Restricted Subsidiary; *provided* that any such Lien shall not extend to or cover any assets of Parent or any Restricted Subsidiary of Parent that is not the subject of any such license, lease or sublease;
- (14) Liens in favor of Parent or any Restricted Subsidiary of Parent;

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(15) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into by Parent or any Restricted Subsidiary of Parent in the ordinary course of business in accordance with the past practices of Parent or any Restricted Subsidiary of Parent;

(16) bankers' Liens, rights of setoff and other similar Liens existing solely with respect to cash and Cash Equivalents on deposit in one or more accounts maintained by Parent or any Restricted Subsidiary of Parent, in each case, granted in the ordinary course of business in favor of the bank or banks with which such accounts are maintained, securing amounts owing to such bank with respect to cash management and operating account arrangements, including those involving pooled accounts and netting arrangements; *provided* that in no case shall any such Liens secure (either directly or indirectly) the repayment of any Indebtedness;

(17) Liens on fixtures or personal property granted to landlords pursuant to leases to the extent that such Liens are not yet due and payable;

(18) Liens on accounts receivable and related assets incurred in connection with a Qualified Receivables Transaction;

(19) Liens existing on the Issue Date to the extent and in the manner existing on the Issue Date;

(20) deposits, pledges or other Liens to secure obligations under purchase or sale agreements or letters of intent entered into in respect of a proposed acquisition;

(21) Liens securing reimbursement obligations with respect to commercial letters of credit which encumber documents and other property relating to such letters of credit and products and proceeds thereof; and

(22) in addition to the Liens described in clauses (1) through (21) above, Liens in respect of Indebtedness or other obligations of Parent or any Restricted Subsidiary not to exceed 15.0% of Consolidated Tangible Assets at any one time outstanding.

*Permitted Refinancing Indebtedness* means any Indebtedness of Parent or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to refinance other Indebtedness of Parent or any of its Restricted Subsidiaries; *provided* that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness so refinanced (plus the amount of accrued and unpaid interest, if any, and premiums owed, if any (not in excess of preexisting prepayment provisions on such Indebtedness) and the amount of reasonable and customary fees and expenses incurred in connection therewith) (the *Original Amount*); *provided, however*, if the amount of such Permitted Refinancing Indebtedness exceeds the Original Amount, the amount of such Permitted Refinancing Indebtedness equal to the Original Amount shall nonetheless constitute Permitted Refinancing Indebtedness if it otherwise complies with the requirements of this definition;

(2) such Permitted Refinancing Indebtedness has a final maturity date at least as late as the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being refinanced;

(3) if the Indebtedness being refinanced is subordinated in right of payment to the Notes, such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and is subordinated in right of payment to, such Notes on terms at least as favorable to the Holders of such Notes as those contained in the documentation governing the Indebtedness being refinanced; and

(4) such Indebtedness is incurred by Parent or by the Restricted Subsidiary who is the obligor on the Indebtedness being refinanced; *provided, however*, that Parent or any Restricted Subsidiary of Parent (other than Crown Americas or any Restricted Subsidiary of Crown Americas unless Crown Americas or such Restricted Subsidiary is an obligor on the Indebtedness being refinanced) may incur Indebtedness which refinances Indebtedness of any Restricted Subsidiary of Parent.

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*Person* means an individual, partnership, corporation, limited liability company, unincorporated organization, trust or joint venture, or a governmental agency or political subdivision thereof.

*Preferred Stock* of any Person means any Capital Stock of such Person that has preferential rights over any other Capital Stock of such Person with respect to profits, dividends, distributions or redemptions or upon liquidation.

*Principal Property* means any single manufacturing or processing plant or warehouse (excluding any equipment or personalty located therein) located in the United States, other than any such plant or warehouse or portion thereof that the Board of Directors reasonably determines is not of material importance to the business conducted by Parent and its Subsidiaries as an entirety.

*Principal Property Subsidiary* means any Subsidiary that owns, operates or leases one or more Principal Properties.

*Purchase Money Note* means a promissory note of an Accounts Receivable Entity to Parent or any Restricted Subsidiary of Parent, which note must be repaid from cash available to the Accounts Receivable Entity, other than amounts required to be established as reserves pursuant to agreements, amounts paid to investors in respect of interest, principal and other amounts owing to such investors and amounts paid in connection with the purchase of newly generated receivables.

*Purchase Money Obligations* of any Person means any obligations of such Person to any seller or any other Person incurred or assumed to finance the purchase, or the cost of construction or improvement, of real or personal property to be used in the business of such Person or any of its Subsidiaries in an amount that is not more than 100% of the cost, or Fair Market Value, as appropriate, of such property, and incurred within 90 days after the date of such acquisition (excluding accounts payable to trade creditors incurred in the ordinary course of business).

*Qualified Capital Stock* means any Capital Stock that is not Disqualified Stock.

*Qualified Receivables Transaction* means any transaction or series of transactions entered into by Parent or any of its Restricted Subsidiaries pursuant to which Parent or such Restricted Subsidiary Transfers to (a) an Accounts Receivable Entity (in the case of a Transfer by Parent or any of its Restricted Subsidiaries) and (b) any other Person (in the case of a Transfer by an Accounts Receivable Entity), or grants a security interest in, any accounts receivable (whether now existing or arising in the future) of Parent or any of its Restricted Subsidiaries, and any assets related thereto, including, without limitation, all collateral securing such accounts receivable, all contracts and all guarantees or other obligations in respect of such accounts receivable, proceeds of such accounts receivable and other assets which are customarily transferred or in respect of which security interests are customarily granted in connection with an accounts receivable financing transaction; *provided* such transaction is on market terms at the time Parent or such Restricted Subsidiary enters into such transaction.

*Rating Agencies* mean Moody's and S&P; provided that if S&P, Moody's or any Successor Rating Agency (as defined below) shall cease to be in the business of providing rating services for debt securities generally, the Issuers shall be entitled to replace any such Rating Agency or Successor Rating Agency, as the case may be, which has ceased to be in the business of providing rating services for debt securities generally with a security rating agency which is in the business of providing rating services for debt securities generally and which is nationally recognized in the United States (such rating agency, a *Successor Rating Agency*).

*refinance* means to refinance, repay, replace, renew, extend, refund or restructure.

*Registration Rights Agreements* means the registration rights agreement among the Issuers, the Guarantors and the initial purchaser relating to the Notes.

*Related Cash Management Obligations* means obligations of Parent or any Restricted Subsidiary of Parent arising from treasury, depository and cash management services provided by one or more of the bank agents or the lenders or their Affiliates or designees or other parties permitted under the Existing Credit Facility.

*Related Hedging Obligations* means Hedging Obligations of Parent or any Restricted Subsidiary of Parent entered into with one or more of the bank agents or the lenders or their Affiliates or designees or other parties permitted under the Existing Credit Facility.



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*Related Obligations* means, collectively, the Related Cash Management Obligations and the Related Hedging Obligations.

*Replacement Assets* means any (a) business, (b) controlling or majority Equity Interest in any Person engaged in a line of business, (c) in the case of a Transfer of a Minority Equity Interest, another Minority Equity Interest in a Person engaged primarily in a line of business or (d) property or assets used or useful in a line of business, in the case of each of clauses (a) through (d), in which Parent or any of its Restricted Subsidiaries is engaged or which is or are, as the case may be, complementary, reasonably related, ancillary or useful to any such line of business in which Parent or any of its Restricted Subsidiaries is then engaged.

*Restricted Investment* means an Investment other than a Permitted Investment.

*Restricted Subsidiary* means each Subsidiary that is not an Unrestricted Subsidiary.

*S&P* means Standard & Poor's, a division of The McGraw-Hill Companies, Inc., and its successors.

*Secured Indebtedness* means any Indebtedness (other than Subordinated Indebtedness) of Parent or a Restricted Subsidiary of Parent secured by a Lien.

*Securities Act* means the Securities Act of 1933, as amended.

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

*Standard Securitization Undertakings* means representations, warranties, covenants and indemnities entered into by Parent or any Restricted Subsidiary of Parent which are reasonably customary in an accounts receivable securitization transaction.

*Subordinated Indebtedness* means Indebtedness of an Issuer or any Guarantor that is subordinated in right of payment to the Notes or the Note Guarantees of such Guarantor, as the case may be.

*Subsidiary* means, with respect to any Person:

- (1) any corporation, association or other business entity of which more than 50% of the total voting power of Voting Stock is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and
- (2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are such Person or one or more Subsidiaries of such Person (or any combination thereof).

*Total Assets* means the total assets of Parent and its Restricted Subsidiaries on a consolidated basis, as shown on the most recent consolidated balance sheet of Parent and its Restricted Subsidiaries and computed in accordance with GAAP. Total Assets shall be calculated after giving effect to the transaction giving rise to the need to calculate Total Assets.

*Total Leverage Ratio* as of any date of determination means the ratio of (a) consolidated Indebtedness of Parent and its Restricted Subsidiaries determined on a pro forma basis after giving effect to such Restricted Payment, including any incurrence of Indebtedness in connection therewith to (b) the Trailing Consolidated EBITDA Amount.

*Trailing Consolidated EBITDA Amount* means the aggregate amount of Consolidated EBITDA (calculated in accordance with the definition of Fixed Charge Coverage Ratio) for the period of the most recent four consecutive fiscal quarters for which internal financial statements are available.

*Transfer* means to sell, assign, transfer, lease (other than pursuant to an operating lease entered into in the ordinary course of business), convey or otherwise dispose of, including by sale and leaseback transaction, consolidation, merger, liquidation, dissolution or otherwise, in one transaction or a series of transactions.

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*Unrestricted Subsidiary* means any Subsidiary (other than an Issuer) that prior to the Termination Date is designated by the Board of Directors of Parent as an Unrestricted Subsidiary pursuant to a resolution of such Board of Directors, but only if:

(1) (a) such Subsidiary has no Indebtedness other than Indebtedness as to which neither Parent nor any of its Restricted Subsidiaries (i) provides any credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (ii) is directly or indirectly liable as a guarantor or otherwise or (iii) constitutes the lender, other than in the case of clauses (i) and (ii) any non-recourse Guarantee given solely to support the pledge by Parent or any Restricted Subsidiary of the Equity Interests of such Unrestricted Subsidiary; and

(b) neither Parent nor any Restricted Subsidiary is liable for any Indebtedness that would permit (upon notice, lapse of time or both) any holder thereof to declare a default on such Indebtedness or cause the payment thereof to be accelerated or payable prior to its stated maturity upon the occurrence of a default with respect to any Indebtedness of such Unrestricted Subsidiary;

(2) such Subsidiary is not party to any agreement, contract, arrangement or understanding with Parent or any Restricted Subsidiary of Parent unless the terms of any such agreement, contract, arrangement or understanding are not materially less favorable to Parent or such Restricted Subsidiary than those that would be obtained at the time from Persons who are not Affiliates of Parent;

(3) such Subsidiary is a Person with respect to which neither Parent nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; and

(4) such Subsidiary does not Guarantee or otherwise directly or indirectly provide credit support for any Indebtedness of Parent or any of its Restricted Subsidiaries.

Any such designation by the Board of Directors shall be evidenced to the Trustee by delivering to the Trustee a certified copy of the resolution of such Board of Directors giving effect to such designation and an officers' certificate, upon which the Trustee shall have no liability for relying, certifying that such designation complied with the foregoing conditions and was permitted by the covenant described under the caption *Certain Covenants Restricted Payments*. If, at any time, any Unrestricted Subsidiary would fail to meet the foregoing requirements as an Unrestricted Subsidiary, it shall thereafter cease to be an Unrestricted Subsidiary for purposes of the Indenture and any Indebtedness of such Subsidiary shall be deemed to be incurred by a Restricted Subsidiary of Parent as of such date (and, if such Indebtedness is not permitted to be incurred as of such date under the covenant described under the caption *Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock*, Parent shall be in default of such covenant from the date of such incurrence).

The Board of Directors of Parent may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided* that such designation shall be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of Parent of any outstanding Indebtedness of such Unrestricted Subsidiary and such designation shall only be permitted if:

(1) such incurrence of Indebtedness is permitted under the covenant described under the caption *Certain Covenants Incurrence of Indebtedness and Issuance of Preferred Stock* and

(2) no Default or Event of Default would be in existence following such designation.

*Voting Stock* means any class or classes of Capital Stock pursuant to which the holders thereof have power to vote in the election of directors, managers or trustees of any Person (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

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*Weighted Average Life to Maturity* means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

- (1) the then outstanding principal amount of such Indebtedness; into
- (2) the total of the product obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment.

*Wholly Owned Restricted Subsidiary* of any Person means a Restricted Subsidiary of such Person all of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly Owned Restricted Subsidiaries of such Person or by such Person and one or more Wholly Owned Restricted Subsidiaries of such Person.

## **Certain Bankruptcy and Fraudulent Transfer Limitations**

Fraudulent transfer, insolvency and administrative laws may void, subordinate or limit the Notes and Note Guarantees and may otherwise limit your ability to enforce your rights under the Notes and the Note Guarantees.

Under U.S. federal bankruptcy laws or comparable provisions of state fraudulent transfer laws, the issuance of the Guarantees by Parent and the Guarantors could be voided, or claims in respect of such obligations could be subordinated to all of their other debts and other liabilities, if, among other things, at the time Parent and/or the Guarantors issued the related Guarantees, or potentially the Guarantees of the old notes, Parent or the applicable Guarantor intended to hinder, delay or defraud any present or future creditor; or received less than reasonably equivalent value or fair consideration for the incurrence of such indebtedness and either:

was insolvent or rendered insolvent by reason of such incurrence;

was engaged in a business or transaction for which Parent's or such Guarantor's remaining assets constituted unreasonably small capital; or

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

The measures of insolvency for purposes of the foregoing considerations will vary depending upon the law applied in any proceeding with respect to the foregoing. Generally, however, Parent or a Guarantor would be considered insolvent if:

the sum of its debts, including contingent liabilities, was greater than the saleable value of all of its assets;

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

it could not pay its debts as they become due.

By its terms, the Guarantee of each Guarantor will limit the liability of each such Guarantor to the maximum amount it can pay without the Guarantee being deemed a fraudulent transfer. Parent believes that immediately after the issuance of the Notes by the Issuers and the issuance of the Guarantees by the Guarantors, Parent and each of the Guarantors will be solvent, will have sufficient capital to carry on its respective business and will be able to pay its respective debts as they mature. However, a court may not apply these standards in making its determinations and a court may not reach the same conclusions with regard to these issues. In a evidentiary ruling in *In re W.R. Grace & Co.*, the federal bankruptcy court for the District of Delaware held that under the Uniform Fraudulent Transfer Act, whether a transferor is insolvent or is rendered insolvent depends on the actual liabilities of the transferor, and not what the transferor knows about such liabilities at the time of the transfer. Therefore, under that court's analysis, liabilities that are unknown, or that are known to exist but whose magnitude is not fully appreciated at the time of the transfer, may be taken into account in the context of a future

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determination of insolvency. If the principle articulated by that court is upheld, it would make it very difficult to know whether a transferor is solvent at the time of transfer, and would increase the risk that a transfer may in the future be found to be a fraudulent conveyance.

If a bankruptcy proceeding were to be commenced under the federal bankruptcy laws by or against Parent or any other Guarantor, it is likely that delays will occur in any payment upon acceleration of the Notes and in enforcing remedies under the applicable Indenture, because of specific provisions of such laws or by a court applying general principles of equity. Provisions under federal bankruptcy laws or general principles of equity that could result in the impairment of your rights include, but are not limited to:

the automatic stay;

avoidance of preferential transfers by a trustee or debtor-in-possession;

substantive consolidation;

limitations on collectibility of unmatured interest or attorney fees;

fraudulent conveyance; and

forced restructuring of the Notes, including reduction of principal amounts and interest rates and extension of maturity dates, over the holders' objections.

## **Book-Entry; Delivery and Form**

The certificates representing the old notes have been, and in the case of the exchange notes will be, issued in fully registered form without interest coupons and represented by one or more global notes in fully registered form without interest coupons (each a *Global Note*) deposited with the Trustee as a custodian for The Depository Trust Company (*DTC*) and registered in the name of a nominee of DTC.

## ***The Global Notes***

Ownership of beneficial interests in the Global Notes will be limited to persons who have accounts with DTC (*participants*) or persons who hold interests through participants. Holders may hold their interests in the Global Notes directly through DTC if they are participants in such system, or indirectly through organizations which are participants in such system.

So long as DTC, or its nominee, is the registered owner or holder of the notes, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the new notes represented by such Global Notes for all purposes under the Indenture. No beneficial owner of an interest in the Global Notes will be able to transfer that interest except in accordance with DTC's procedures, in addition to those provided for under the Indenture with respect to the new notes.

Payments of the principal of, premium (if any) and interest on the Global Notes will be made to DTC or its nominee, as the case may be, as the registered owner thereof. None of the issuers, the Trustee or any Paying Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interest.

The issuers expect that DTC or its nominee, upon receipt of any payment of principal, premium, if any, or interest (including Additional Interest) on the Global Notes, will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the Global Notes as shown on the records of DTC or its nominee. The issuers also expect that payments by participants to owners of beneficial interests in the Global Notes held through such participants will be governed by standing instructions and customary practice, as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. Such payments will be the responsibility of such participants.

Transfers between participants in DTC will be effected in the ordinary way through DTC's same-day funds system in accordance with DTC rules and will be settled in same day funds. If a holder requires physical



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delivery of a Certificated Security for any reason, including to sell notes to persons in states which require physical delivery of the notes, or to pledge such securities, such holder must transfer its interest in a Global Note, in accordance with the normal procedures of DTC and with the procedures set forth in the Indenture.

DTC has advised the issuers that it will take any action permitted to be taken by a holder of notes (including the presentation of notes for exchange as described below) only at the direction of one or more participants to whose account the DTC interests in the Global Notes are credited and only in respect of such portion of the aggregate principal amount of notes as to which such participant or participants has or have given such direction. However, if there shall have occurred and be continuing an Event of Default with respect to the Global Notes, DTC will exchange the Global Notes for Certificated Securities, which it will distribute to its participants.

DTC has advised the issuers as follows: DTC is a limited purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a clearing corporation 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 facilitate the clearance and settlement of securities transactions between participants through electronic book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Participants include securities brokers and dealers, banks, trust companies and clearing corporations and certain other organizations. 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 ( *indirect participants* ).

Although DTC has agreed to the foregoing procedures in order to facilitate transfers of interests in the Global Note among participants of DTC, it is under no obligation to perform such procedures, and such procedures may be discontinued at any time. Neither the issuers nor the Trustee will have any responsibility for the performance by DTC or its participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

### ***Certificated Securities***

Certificated Securities shall be issued in exchange for beneficial interests in the Global Notes (i) if requested by a holder of such interests upon receipt by the Trustee of written instructions from DTC or its nominee on behalf of any beneficial owner and in accordance with the rules and procedures of DTC and the provisions of Section 2.16 of the Indenture, (ii) if DTC notifies the Issuers that it is unwilling or unable to continue as depository for such Global Note and the Issuers thereupon fail to appoint a successor depository within 90 days or (iii) DTC has ceased to be a clearing agency registered under the Exchange Act or there shall have occurred and be continuing an Event of Default with respect to such Global Note.

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**CERTAIN MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS**

This section describes certain material U.S. federal income tax consequences of exchanging the old notes for the new notes pursuant to this exchange offer and owning the new notes. It applies to you only if you acquire notes in this exchange offer and you hold the new notes as capital assets for tax purposes. This section does not apply to you if you are a member of a class of holders subject to special rules, such as:

a dealer in securities or currencies,

a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings,

a financial institution,

a regulated investment company,

a life insurance company,

a tax-exempt organization,

a non-U.S. or U.S. partnership or other entity treated as a partnership for U.S. federal income tax purposes,

a person liable for alternative minimum tax,

an expatriate,

a person that owns notes that are a hedge or that are hedged against interest rate risks,

a person that owns notes as part of a straddle or conversion transaction for tax purposes, or

a U.S. holder (as defined below) whose functional currency for tax purposes is not the U.S. dollar.

If you purchased the old notes or if you purchase the new notes at a price other than the offering price, the amortizable bond premium or market discount rules may also apply to you. You should consult your tax advisor regarding this possibility.

This section (i) does not address all aspects of U.S. federal income taxation, such as estate and gift tax consequences and alternative minimum tax consequences, (ii) does not deal with all tax considerations that may be relevant to a holder in light of such holder's personal circumstances, and (iii) does not address any state, local or foreign tax consequences.

This section is based on the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), its legislative history, existing and proposed regulations under the Internal Revenue Code, published rulings and court decisions, all as in effect on the date hereof. These laws are subject to change, possibly on a retroactive basis. Crown Americas and Crown Americas Capital III are not seeking a ruling from the Internal

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Revenue Service (the IRS) regarding the tax consequences of the ownership or exchange of the notes. Accordingly, there can be no assurance that the IRS will not successfully challenge one or more of the conclusions stated herein.

In certain circumstances, Crown Americas and Crown Americas Capital III may be obligated to pay holders amounts in excess of the stated interest and principal payable on the notes. The obligation to make such payments may implicate the provisions of U.S. Treasury Regulations relating to contingent payment debt instruments. If the notes were deemed to be contingent payment debt instruments, holders might, among other things, be required to treat any gain recognized on the sale or other disposition of a note as ordinary income rather than as capital gain, and the timing and amount of income inclusion may be different from the consequences discussed herein. Crown Americas and Crown Americas Capital III intend to take the position that the likelihood that such payments will be made is remote and/or that such payments are incidental, and therefore the notes are not subject to the rules governing contingent payment debt instruments. This determination will be binding on a holder unless such holder explicitly discloses on a statement attached to such holder's timely filed U.S. federal income tax return for the taxable year that includes the acquisition date of the note that such holder's determination is different. It is possible, however, that the IRS may take a contrary position from that described



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above, in which case the tax consequences to a holder could differ materially and adversely from those described below. The remainder of this disclosure assumes that the notes will not be treated as contingent payment debt instruments.

### **U.S. Holders**

This subsection describes certain material tax consequences to a U.S. holder. You are a U.S. holder if you are a beneficial owner of a new note and you are:

a citizen or individual resident of the United States,

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

an estate whose income is subject to U.S. federal income tax regardless of its source, or

a trust if a U.S. court can exercise primary supervision over the trust's administration and one or more U.S. persons are authorized to control all substantial decisions of the trust.

Certain trusts not described above in existence on August 20, 1996 that elect to be treated as U.S. persons will also be U.S. holders for purposes of the following discussion.

If you are not a U.S. holder, this subsection does not apply to you and you should refer to **Non-U.S. Holders** below.

### ***Exchange Offer***

Exchanging an old note for a new note should not be treated as a taxable exchange for U.S. federal income tax purposes. Consequently, you should not recognize gain or loss upon receipt of a new note. Your holding period for a new note should include the holding period for the old note and your initial basis in a new note should be the same as your adjusted basis in the old note.

### ***Taxation of Stated Interest***

You will be taxed on stated interest on your new note as ordinary income at the time you receive the interest or when it accrues, depending on your method of accounting for U.S. federal income tax purposes.

### ***Sale, Retirement or Other Taxable Disposition of the New Notes***

Your adjusted tax basis in the new note generally will be the same as the holder's adjusted tax basis in the old note. You will generally recognize capital gain or loss on the sale, retirement or other taxable disposition of your new note equal to the difference between the amount you realize on such disposition (excluding any amounts attributable to accrued but unpaid stated interest, which will be taxed as ordinary income to the extent not previously includible in income) and your tax basis in your new note. Capital gain of a noncorporate U.S. holder is generally eligible for reduced tax rates (currently, 15% and scheduled to increase to a maximum rate of 20% for tax years beginning after December 31, 2012) where the property is held more than one year. The deductibility of capital losses is subject to limitations under the Internal Revenue Code.

### **Additional Tax On Net Investment Income**

For taxable years beginning after December 31, 2012, certain non-corporate U.S. holders will be subject to a 3.8% tax, in addition to regular tax on income and gains, on some or all of their net investment income, which generally will include interest realized on a new note and any net gain recognized upon a disposition of a new note. U.S. holders should consult their tax advisors regarding the applicability of this tax in respect of their new notes.

**Non-U.S. Holders**

This subsection describes certain material tax consequences to a non-U.S. holder. You are a non-U.S. holder if you are a beneficial owner of a new note that is an individual, corporation, trust or estate for U.S. federal income tax purposes and you are not a U.S. holder.

If you are a U.S. holder, this subsection does not apply to you.

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### ***Taxation of Interest***

Under U.S. federal income tax law, and subject to the discussion of backup withholding below, if you are a non-U.S. holder of a new note and the interest income on the new note is not effectively connected with a U.S. trade or business, Crown Americas and Crown Americas Capital III generally will not be required to deduct a U.S. withholding tax at a 30% rate (or, if applicable, a lower treaty rate) on such income if:

you do not actually or constructively own 10% or more of the total combined voting power of all classes of stock of Crown Cork or Crown Americas Capital III entitled to vote,

you are not a controlled foreign corporation that is related to Crown Americas or Crown Americas Capital III through stock ownership, and

Crown Americas, Crown Americas Capital III or their agent does not have actual knowledge or reason to know that you are a U.S. person and (i) you have furnished to Crown Americas, Crown Americas Capital III or their agent an IRS Form W-8BEN or an acceptable substitute form upon which you certify, under penalties of perjury, that you are a non-U.S. person, or (ii) you hold your notes through certain foreign intermediaries and you have satisfied the certification requirements of applicable U.S. Treasury Regulations. Special certification rules apply to non-U.S. holders that are pass-through entities rather than corporations or individuals.

Except to the extent that an applicable treaty otherwise provides, you generally will be taxed in the same manner as a U.S. holder with respect to interest if such interest income is effectively connected with your conduct of a trade or business in the United States. Effectively connected interest of a corporate non-U.S. holder may also, in some circumstances, be subject to an additional branch profits tax at a 30% rate (or, if applicable, a lower treaty rate). Even though such effectively connected interest may be subject to income tax, and may be subject to the branch profits tax, it is not subject to withholding tax (whether or not it is subject to income tax) if the owner delivers a properly executed IRS Form W-8ECI to the payor.

### ***Sale, Exchange or Retirement of the New Notes***

If you are a non-U.S. holder of a new note, you generally will not be subject to U.S. federal income tax or withholding tax on gain realized on the sale, exchange or retirement of a new note (other than any amount representing interest which will be treated as discussed above) unless:

the gain is effectively connected with your conduct of a trade or business in the United States and, to the extent an applicable treaty so provides, is attributable to a permanent establishment in the United States, in which case such gain will be taxable in the same manner as effectively connected interest as discussed above, or

you are an individual, you are present in the United States for 183 or more days during the taxable year in which the gain is realized and certain other conditions exist, in which case you will be subject to a flat 30% U.S. federal income tax on any gain recognized (except to the extent otherwise provided by an applicable treaty), which may be offset by certain U.S. losses.

### **Backup Withholding and Information Reporting**

#### ***U.S. Holders***

Information reporting on IRS Form 1099 will apply to payments of interest on, or the proceeds of the sale or other disposition (including a retirement or redemption) of, the new notes with respect to certain non-corporate U.S. holders, and backup withholding may apply unless the recipient of such payments has supplied a taxpayer identification number, certified under penalties of perjury, as well as certain other information or otherwise established an exemption from backup withholding. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against that holder's U.S. federal income tax liability provided that the required information is timely furnished to the IRS.

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Recently enacted legislation requires certain United States holders to report information to the IRS with respect to their investment in notes held through an account with certain foreign financial institutions. Investors

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who fail to report required information could become subject to substantial penalties. Prospective investors are urged to consult with their tax advisors regarding these new provisions. The requirement to file a report is effective for taxable years beginning after March 18, 2010.

### ***Non-U.S. Holders***

Backup withholding and information reporting on IRS Form 1099 will not apply to payments of principal and interest to a non-U.S. holder provided that (A) you are the beneficial owner of the new notes and you certify to the applicable payor or its agent, under penalties of perjury, that you are not a U.S. person and provide your name and address on a duly executed IRS Form W-8BEN (or a suitable substitute form), (B) a securities clearing organization, bank or other financial institution, that holds customers' securities in the ordinary course of its trade or business (a financial institution) certifies under penalties of perjury that such an IRS Form W-8BEN (or a suitable substitute form) has been received from the beneficial owner by it or by a financial institution between it and the beneficial owner and furnishes the payor with a copy thereof, or (C) you are otherwise exempt from backup withholding and information reporting (provided, in each case, that none of Crown Americas, Crown Americas Capital III or their agent has actual knowledge or reason to know that you are a U.S. person or that the conditions of any other exemptions are not in fact satisfied). Interest payments made to a non-U.S. holder may, however, be reported to the IRS and to such non-U.S. holder on IRS Form 1042-S.

Information reporting and backup withholding generally will not apply to a payment of the proceeds of a disposition of the new notes (including a redemption or retirement) effected outside the United States by a foreign office of a foreign broker. However, information reporting requirements (but not backup withholding) will apply to a payment of the proceeds of a disposition of the new notes effected outside the United States by a foreign office of a broker if the broker (i) is a U.S. person, (ii) derives 50 percent or more of its gross income for certain periods from the conduct of a trade or business in the United States, (iii) is a controlled foreign corporation for U.S. federal income tax purposes, or (iv) is a foreign partnership that, at any time during its taxable year is more than 50 percent (by income or capital interest) owned by U.S. persons or is engaged in the conduct of a U.S. trade or business, unless in any such case the broker has documentary evidence in its records that the holder is a non-U.S. holder and certain conditions are met, or the holder otherwise establishes an exemption. Payment of the proceeds of a disposition of the new notes by a U.S. office of a broker will be subject to both backup withholding and information reporting unless the holder certifies its non-U.S. status under penalties of perjury or otherwise establishes an exemption.

Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against that holder's U.S. federal income tax liability provided the required information is timely furnished to the IRS.

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**PLAN OF DISTRIBUTION**

Under existing SEC interpretations, we expect that the new notes will be freely transferable by holders other than our affiliates after the exchange offer without further registration under the Securities Act if the holder of the new notes represents that it is acquiring the new notes in the ordinary course of its business, that it has no arrangement or understanding with any person to participate in the distribution of the new notes and that it is not an affiliate of ours, as such terms are interpreted by the SEC; provided that broker-dealers receiving new notes in the exchange offer will have a prospectus delivery requirement with respect to resales of such new notes as discussed below. While the SEC has not taken a position with respect to this particular transaction, under existing SEC interpretations relating to transactions structured substantially like this exchange offer, participating broker-dealers may fulfill their prospectus delivery requirements with respect to new notes (other than a resale of an unsold allotment of the old notes) with the prospectus contained in the exchange offer registration statement.

Each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for old notes where such old notes were acquired as a result of market-making activities or other trading activities. We have agreed that, starting on the expiration date of the exchange offer and ending on the close of business one year after the expiration date, we will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any such resale.

We will not receive any proceeds from the exchange offer or from any sale of new notes by brokers-dealers. New notes received by broker-dealers for their own account pursuant to the exchange offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the new notes or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer and/or the purchasers of any such new notes. Any broker-dealer that resells the new notes that were received by it for its own account pursuant to the exchange offer and any broker or dealer that participates in a distribution of such new notes may be deemed to be an underwriter within the meaning of the Securities Act and any profit of any such resale of new notes and any commissions or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal states that by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act.

For a period of one year after the expiration date of the exchange offer, we will promptly send additional copies of this prospectus and any amendment or supplement to this prospectus to any broker-dealer that requests such documents in the letter of transmittal. We have agreed to pay all expenses incident to the exchange offer (including the expenses of one counsel for the holder of the old notes) other than commissions or concessions of any brokers or dealers and will indemnify the holders of the old notes (including any broker-dealers) against certain liabilities, including liabilities under the Securities Act.

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### **LEGAL MATTERS**

Certain legal matters with regard to the validity of the new notes and the new note guarantees will be passed upon for us and the guarantors by Dechert LLP, Philadelphia, Pennsylvania and Vorys, Sater, Seymour and Pease LLP, Columbus, Ohio.

### **EXPERTS**

The financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this Prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2010 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

### **WHERE YOU CAN FIND ADDITIONAL INFORMATION**

Crown is subject to the information requirements of the Securities Exchange Act of 1934, and it files unaudited quarterly and audited annual reports, proxy and information statements and other information with the SEC. You may read and copy all or any portion of the reports, proxy and information statements or other information Crown files at the SEC's principal office in Washington, D.C., and copies of all or any part thereof may be obtained from the Public Reference Section of the SEC, 100 F Street, N.E., Washington, D.C. 20549, after payment of fees prescribed by the SEC. Please call the SEC at 1-800-SEC-0330 for further information on operation of the public reference rooms. The SEC also maintains an internet website which provides online access to reports, proxy and information statements and other information regarding registrants that file electronically with the SEC at the address <http://www.sec.gov>. In addition, Crown posts its filed documents on its website at <http://www.crowncork.com>. Except for the documents incorporated by reference into this prospectus, the information on Crown's website is not part of this prospectus. You can also inspect reports, proxy statements and other information about Crown at the offices of The New York Stock Exchange, Inc., located at 20 Broad Street, New York, New York 10005.

### **INCORPORATION OF DOCUMENTS BY REFERENCE**

The following documents filed by Crown with the SEC under the Exchange Act are incorporated by reference in this prospectus:

Crown's Annual Report on Form 10-K for the year ended December 31, 2010 filed with the SEC on February 28, 2011;

Crown's Quarterly Report on Form 10-Q for the quarter ended March 31, 2011 filed with the SEC on May 4, 2011;

Crown's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011 filed with the SEC on August 9, 2011;

Crown's Proxy Statement on Schedule 14A filed with the SEC on March 21, 2011;

Crown's Current Report on Form 8-K filed with the SEC on January 14, 2011;

Crown's Current Report on Form 8-K filed with the SEC on January 20, 2011;

Crown's Current Report on Form 8-K filed with the SEC on February 2, 2011;

Crown's Current Report on Form 8-K filed with the SEC on March 1, 2011;

Crown's Current Report on Form 8-K filed with the SEC on May 2, 2011; and

Crown's Current Report on Form 8-K filed with the SEC on June 14, 2011.

Any future filings Crown makes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and before the offering is terminated are also incorporated by reference into this prospectus. The information incorporated by reference is considered a part of this prospectus, and subsequent information that Crown files with the SEC will automatically update and supersede this information. Any information which is subsequently modified or superseded will not constitute a part of this prospectus, except as so modified or superseded.



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Upon written or oral request, you will be provided with a copy of the incorporated documents without charge (not including exhibits to the respective documents unless the exhibits are specifically incorporated by reference into the respective documents). You may submit such a request for this material at the following address and telephone number:

Crown Americas LLC

Crown Americas Capital Corp. III

c/o Crown Holdings, Inc.

Attn: Corporate Secretary

One Crown Way

Philadelphia, PA 19154

U.S.A.

(215) 698-5100

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**Crown Americas LLC**  
**Crown Americas Capital Corp. III**  
**OFFER TO EXCHANGE**

**\$700,000,000 6 1/4% Senior Notes due 2021 and related Guarantees for all outstanding**  
**6 1/4% Senior Notes due 2021**

**Prospectus**  
**October 7, 2011**