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- make certain investments;
- sell certain assets;
- create liens on certain assets to secure debt;
- consolidate, merge, sell or otherwise dispose of all or substantially all of our assets;
- enter into certain transactions with affiliates; and
- designate our subsidiaries as unrestricted subsidiaries.

In addition, the indenture governing the 12.625% Notes imposes certain requirements as to future subsidiary guarantors. The indenture governing the 12.625% Notes also contains certain customary events of default.

### **11.25% Senior Unsecured Notes due 2021**

#### ***Overview***

On February 13, 2013, we issued and sold \$785 million aggregate principal amount of our 11.25% Notes. Proceeds from the offering were used to repurchase our 10.55% PIK Notes and to pay related transaction expenses. On July 21, 2014, we redeemed \$275 million aggregate principal amount of the 11.25% Notes, leaving a remainder of \$510 million aggregate principal amount of the 11.25% Notes outstanding.

#### ***Interest Rate***

Interest on the 11.25% Notes is payable in cash and accrues at the rate of 11.25% per annum. Interest on the 11.25% Notes is payable semi-annually in arrears on May 15 and November 15, commencing on November 15, 2013.

#### ***Ranking and Security***

The 11.25% Notes are senior unsecured obligations and (i) rank senior in right of payment to any existing and future subordinated indebtedness, including our existing senior subordinated notes, (ii) rank equally in right of payment with all of our existing and future senior indebtedness, (iii) are effectively junior in right of payment to all existing and future secured indebtedness, including our senior secured credit facilities, our existing senior secured notes to the extent of the value of the collateral and (iv) are effectively subordinated to all existing and future indebtedness and other liabilities of our non-guarantor subsidiaries (other than indebtedness and liabilities owed to us or one of our guarantor subsidiaries).

#### ***Prepayments and Redemptions***

We are required to make an offer to repurchase the 11.25% Notes with net proceeds from specified asset sales, subject to the right to repurchase other senior secured debt and certain other types of indebtedness or reinvest such proceeds in our business. In addition, we will be required to offer to repurchase the 11.25% Notes upon the occurrence of a change of control.

We may redeem the 11.25% Notes, in whole or in part, at any time prior to January 15, 2016, at a price equal to 100% of the principal amount of the 11.25% Notes redeemed plus accrued and unpaid interest to the redemption date and a "make-whole premium." In addition, on or prior to January 15, 2016, we were entitled to redeem up to 35% of the aggregate principal amount of the 11.25% Notes with the net cash proceeds from certain equity offerings at an established redemption price. On July 21, 2014, we exercised this option in full. On or after January 15, 2016, we may redeem the 11.25% Notes, in whole or in part, at the redemption prices set forth below