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Ranking and Security

The 10.625% 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 10.625% 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 10.625% Notes upon the occurrence of a change of control.

We may redeem the 10.625% Notes, in whole or in part, at any time prior to April 15, 2016, at a price equal to 100% of the principal amount of the 10.625% Notes redeemed plus accrued and unpaid interest to the redemption date and a "make-whole premium." Thereafter, we may redeem the 10.625% Notes, in whole or in part, at established redemption prices. In addition, on or prior to April 15, 2016, we were entitled to redeem up to 35% of the aggregate principal amount of the 10.625% 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.

Guarantees

All obligations under the 10.625% Notes are guaranteed on a senior unsecured basis by each of our domestic subsidiaries that guarantees obligations under our senior secured credit facilities.

Certain Covenants and Events of Default

The indenture governing the 10.625% Notes contains a number of covenants that, among other things, restricts, subject to certain exceptions, our ability to:

- incur additional debt or issue certain preferred shares;
- pay dividends on or make other distributions in respect of our capital stock or make other restricted payments;
- 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 10.625% Notes imposes certain requirements as to future subsidiary guarantors. The indenture governing the 10.625% Notes also contains certain customary events of default.