

STANLEY BLACK & DECKER, INC.

Form 424B5

November 01, 2012

Table of Contents

Filed Pursuant to Rule 424(b)(5)  
Registration No. 333-178017

**The information in this preliminary prospectus supplement is not complete and may be changed. We will amend and complete the information in this preliminary prospectus supplement. This preliminary prospectus supplement and the accompanying prospectus are not offers to sell nor solicitations of offers to buy these securities in any jurisdiction where such offer or sale is not permitted.**

**SUBJECT TO COMPLETION, DATED NOVEMBER 1, 2012**

**PRELIMINARY PROSPECTUS SUPPLEMENT**

**(To Prospectus Dated November 16, 2011)**

**\$**

**Stanley Black & Decker, Inc.**

**% Notes due 2022**

**Guaranteed by**

**The Black & Decker Corporation**

We will pay interest on the notes on \_\_\_\_\_ and \_\_\_\_\_ of each year, commencing on \_\_\_\_\_, 2013. The notes will mature on \_\_\_\_\_, 2022. The notes will be issued only in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. We may redeem some or all of the notes at any time before maturity at the redemption price discussed under the caption "Description of the Notes Optional Redemption." As described under "Description of the Notes Change of Control," if we experience a Change of Control and a Below Investment Grade Rating Event, we will be required to purchase the notes from holders at a price equal to 101% of their aggregate principal amount, plus accrued and unpaid interest to, but not including, the date of repurchase, unless we have previously redeemed the notes.

The notes will be our unsecured obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding. The notes will be guaranteed on a senior unsecured basis by our subsidiary, The Black & Decker Corporation. The notes will not be obligations of or guaranteed by any of our other subsidiaries. As a result, the notes will be structurally subordinated to all debt and other liabilities of our subsidiaries other than The Black & Decker Corporation.

See **Risk Factors** beginning on page S-4 of this prospectus supplement to read about important factors you should consider before buying the notes.

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

|  | Per Note | Total |
|--|----------|-------|
| Initial public offering price                              | %        | \$    |
| Underwriting discount                                      | %        | \$    |
| Proceeds, before expenses, to Stanley Black & Decker, Inc. | %        | \$    |

The initial public offering price set forth above does not include accrued interest, if any. Interest on the notes will accrue from \_\_\_\_\_, 2012 and must be paid by the purchasers if the notes are delivered after \_\_\_\_\_, 2012.

The underwriters expect to credit securities entitlements with respect to the notes in book-entry form through the facilities of The Depository Trust Company to the accounts of its participants, including Clearstream Banking, Société Anonyme, and Euroclear Bank S.A./N.V., as operator of the Euroclear System, against payment in New York, New York on \_\_\_\_\_, 2012.

*Joint Book-Running Managers*

**Citigroup    Credit Suisse    Goldman, Sachs & Co.    J.P. Morgan**  
 \_\_\_\_\_, 2012

**Table of Contents**

**TABLE OF CONTENTS**

**Prospectus Supplement**

|   | <b>Page</b> |
|---|-------------|
| <u>ABOUT THIS PROSPECTUS SUPPLEMENT</u>   | S-ii        |
| <u>WHERE YOU CAN FIND MORE INFORMATION</u>  | S-iii       |
| <u>SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>                            | S-iv        |
| <u>SUMMARY</u>  | S-1         |
| <u>RISK FACTORS</u>   | S-4         |
| <u>USE OF PROCEEDS</u>  | S-7         |
| <u>PRESENTATION OF COMPREHENSIVE INCOME</u>   | S-8         |
| <u>RATIO OF EARNINGS TO FIXED CHARGES</u>   | S-9         |
| <u>CAPITALIZATION</u>   | S-10        |
| <u>DESCRIPTION OF THE NOTES</u>   | S-11        |
| <u>CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS FOR NON-U.S. HOLDERS</u> | S-19        |
| <u>UNDERWRITING</u>   | S-21        |
| <u>LEGAL MATTERS</u>  | S-24        |
| <u>EXPERTS</u>  | S-24        |

**Prospectus**

|   | <b>Page</b> |
|---|-------------|
| <u>ABOUT THIS PROSPECTUS</u>  | 1           |
| <u>WHERE YOU CAN FIND MORE INFORMATION</u>                              | 2           |
| <u>SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>                | 4           |
| <u>STANLEY BLACK &amp; DECKER, INC.</u>                                 | 7           |
| <u>ABOUT THE GUARANTORS</u>   | 7           |
| <u>RISK FACTORS</u>   | 7           |
| <u>USE OF PROCEEDS</u>  | 7           |
| <u>RATIO OF EARNINGS TO FIXED CHARGES</u>                               | 7           |
| <u>DESCRIPTION OF SECURITIES</u>  | 8           |
| <u>DESCRIPTION OF DEBT SECURITIES</u>                                   | 9           |
| <u>DESCRIPTION OF GUARANTEES OF OUR DEBT SECURITIES</u>                 | 19          |
| <u>DESCRIPTION OF CAPITAL STOCK</u>                                     | 20          |
| <u>DESCRIPTION OF WARRANTS</u>  | 26          |
| <u>DESCRIPTION OF DEPOSITARY SHARES</u>                                 | 28          |
| <u>DESCRIPTION OF STOCK PURCHASE CONTRACTS AND STOCK PURCHASE UNITS</u> | 30          |
| <u>PLAN OF DISTRIBUTION</u>   | 31          |
| <u>LEGAL MATTERS</u>  | 32          |
| <u>EXPERTS</u>  | 32          |

**Table of Contents**

**ABOUT THIS PROSPECTUS SUPPLEMENT**

We have not, and the underwriters have not, authorized any other person to provide you with any information other than the information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein. Neither we nor the underwriters take responsibility for, or provide any assurance as to the reliability of, any different or additional information. Neither we nor the underwriters are making an offer to sell the notes in any jurisdiction where the offer or sale is not permitted. You should assume the information appearing in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein are accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

This prospectus supplement contains the terms of this offering of notes. This prospectus supplement may add, update or change information contained or incorporated by reference in the accompanying prospectus. In addition, the information incorporated by reference in the accompanying prospectus may have added, updated or changed information in the accompanying prospectus. If information in this prospectus supplement is inconsistent with any information in the accompanying prospectus (or any information incorporated by reference therein), this prospectus supplement will apply and will supersede such information in the accompanying prospectus.

It is important for you to read and consider all information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein in making your investment decision. You should also read and consider the additional information in this prospectus supplement under the caption **Where You Can Find More Information**.

**Table of Contents**

**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and special reports, proxy statements and other information with the Securities and Exchange Commission (the SEC) under the Securities Exchange Act of 1934, as amended, and the rules promulgated thereunder (the Exchange Act). Our SEC filings are available to the public at the SEC's website at [www.sec.gov](http://www.sec.gov). You may read and copy all or any portion of this information at the Public Reference Section of the SEC, 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information about the public reference rooms. We maintain a website at [www.stanleyblackanddecker.com](http://www.stanleyblackanddecker.com). The information on our website is not incorporated by reference in this prospectus supplement or the accompanying prospectus and you should not consider it a part of this prospectus supplement or the accompanying prospectus.

You can also inspect reports, proxy statements and other information about Stanley Black & Decker, Inc. at the offices of the New York Stock Exchange (the NYSE), 20 Broad Street, New York, New York 10005.

The SEC allows us to incorporate by reference information into this prospectus supplement and the accompanying prospectus, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus supplement and the accompanying prospectus, except for any information superseded by information contained directly in this prospectus supplement, the accompanying prospectus or any subsequently filed document deemed incorporated by reference. This prospectus supplement and the accompanying prospectus incorporate by reference the documents set forth below that Stanley Black & Decker, Inc. has previously filed with the SEC (other than information deemed furnished and not filed in accordance with SEC rules, including Items 2.02 and 7.01 of Form 8-K). These documents contain important information about Stanley Black & Decker, Inc. and its finances.

Annual Report on Form 10-K for the fiscal year ended December 31, 2011;

The information specifically incorporated by reference into our Annual Report on Form 10-K for the fiscal year ended December 31, 2011, from our definitive proxy statement on Schedule 14A, filed with the SEC on March 9, 2012;

Quarterly Reports on Form 10-Q for the quarters ended March 31, 2012, June 30, 2012 and September 29, 2012; and

Current Reports on Form 8-K filed March 12, 2010 (Item 9.01(a) only and as amended on May 28, 2010 on Form 8-K/A), January 6, 2012, February 14, 2012, April 20, 2012, July 18, 2012, July 24, 2012, July 25, 2012, July 30, 2012 and July 31, 2012.

All documents filed by us pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus supplement and before the termination of the offering shall also be deemed to be incorporated herein by reference. We are not, however, incorporating by reference any documents or portions thereof, whether specifically listed above or filed in the future, that are not deemed filed with the SEC, including our compensation committee report and performance graph or any information furnished pursuant to Items 2.02 or 7.01 of Form 8-K or certain exhibits furnished pursuant to Item 9.01 of Form 8-K.

To obtain a copy of these filings at no cost, you may write or telephone us at the following address:

Stanley Black & Decker, Inc.

1000 Stanley Drive

New Britain, Connecticut 06053

Attention: Treasurer

(860) 225-5111

## Edgar Filing: STANLEY BLACK & DECKER, INC. - Form 424B5

We will provide to each person, including any beneficial owner, to whom this prospectus supplement is delivered, a copy of any or all of the information that has been incorporated by reference but not delivered with this prospectus supplement. Exhibits to the filings will not be sent, however, unless those exhibits have specifically been incorporated by reference into such documents.

S-iii

**Table of Contents**

**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus supplement, the accompanying prospectus and any documents incorporated by reference contain or incorporate statements that are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995.

Those statements include trend analyses and other information relative to markets for our products and trends in our operations or financial results as well as other statements that can be identified by the use of forward-looking language such as may, should, believes, expects, anticipates, plans, estimates, intends, projects, goals, objectives or other similar expressions. Our actual results, performance or achievement could be materially different from the results expressed in, or implied by, those forward-looking statements. Those statements are subject to risks and uncertainties, including but not limited to the risks described in any documents incorporated by reference. When considering those forward-looking statements, you should keep in mind the risks, uncertainties and other cautionary statements made in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference.

A variety of factors could cause our actual results to differ materially from the expected results expressed in our forward-looking statements, including those factors set forth in this prospectus supplement, the accompanying prospectus or any documents incorporated by reference, including the Risk Factors, Business and Management's Discussion and Analysis of Financial Condition and Results of Operations sections of our reports and other documents filed with the SEC. Factors that may cause our actual results to differ materially from those we contemplate by the forward-looking statements include, among others, the following possibilities:

inability to maintain and improve the overall profitability of our operations;

inability to identify and effectively execute productivity improvements and cost reductions, while minimizing any associated restructuring charges;

inability to limit the impact of steel and other commodity and material price inflation through price increases and other measures;

inability to capitalize on future acquisition opportunities and to fund other initiatives;

inability to invest in routine business needs;

inability to continue improvements in working capital;

the risk that the cost savings and other synergies anticipated to be realized from our combination (the merger) with The Black & Decker Corporation (Black & Decker) and the acquisition of Niscayah, as well as future acquisitions, may not be fully realized or may take longer to realize than expected;

disruption from the merger or any other acquisition making it difficult to maintain relationships with customers, employees or suppliers;

failure to identify, complete and integrate acquisitions, or to integrate existing businesses, while limiting or otherwise managing associated costs or liabilities;

Edgar Filing: STANLEY BLACK & DECKER, INC. - Form 424B5

inability to limit restructuring and other payments associated with recent acquisitions;

inability to minimize or otherwise manage costs or liabilities associated with any sale or discontinuance of a business or product line, including any asset impairment, severance, restructuring, legal or other costs or liabilities;

the extent to which we have to write off accounts receivable or assets or experience supply chain disruptions in connection with bankruptcy filings by our customers or suppliers;

S-iv



**Table of Contents**

inability to generate free cash flow and maintain a strong debt to capital ratio, including focusing on reduction of debt as determined by management;

inability to successfully settle routine tax audits;

inability to generate earnings sufficient to realize future income tax benefits during periods when temporary differences become deductible;

continued acceptance of technologies used in our products and services;

failure of our efforts to build upon our growth platforms and market leadership in Convergent Security Solutions, Infrastructure and Healthcare;

inability to manage existing Sonitrol and Mac Tools franchisee and distributor relationships;

continued access to credit markets on favorable terms, and the maintenance by us of an investment grade credit rating;

risks related to market instability caused by the threat of Eurozone countries exiting the European Monetary Union or defaulting on sovereign debt and any resulting break up of the European Monetary Union;

inability to negotiate satisfactory payment terms for the purchase and sale of goods, material and products;

inability to sustain the success of our marketing and sales efforts, including our ability to recruit and retain an adequate sales force and to maintain our customer base;

inability of the sales force to adapt to any changes made in the sales organization and achieve adequate customer coverage;

inability to develop and introduce new and high quality products, grow sales in existing markets, identify and develop new markets for our products and maintain and build the strength of our brands;

loss of significant sales volume from our larger customers;

inability to maintain or improve current production rates in our manufacturing facilities, to respond to significant changes in product demand, or to fulfill demand for new and existing products;

inability to implement, manage and maintain our operating systems effectively;

inability to continue successfully managing and defending claims and litigation;

pricing pressure and other changes within competitive markets;

increasing competition;

continued consolidation of customers, particularly in consumer channels;

inventory management pressures on our customers;

changes in laws, regulations and policies that affect us, including, but not limited to trade, monetary, tax and fiscal policies and laws;

risks relating to environmental matters, including changes in the estimated costs to remediate historical contamination and resolve related litigation;

risks arising out of changes in environmental laws or other requirements (or their interpretation or enforcement), including such laws or other requirements that may affect the content or production of our products;

the geographic distribution of future earnings and the effect of currency exchange fluctuations and impact of dollar/foreign currency exchange, taxes and interest rates on the competitiveness of products, our debt program and our cash flow;

S-v

**Table of Contents**

the strength of the United States and European economies;

the impact the credit markets may have on us or our customers or suppliers;

the extent to which world-wide markets associated with homebuilding and remodeling remain weak or deteriorate;

the impact of events that cause or may cause disruption in our manufacturing, distribution and sales networks, such as war, terrorist activities, natural disasters, political unrest, and recessionary or expansive trends in world economies in which we operate, including, but not limited to, the extent and duration of the current recession in the United States economy; and

inability to raise our prices or otherwise mitigate cost increases generated by, for example, continued increases in the cost of energy or significant Chinese Renminbi or other currency appreciation or revaluation.

There can be no assurance that other factors not currently anticipated by us will not materially and adversely affect our business, financial condition and results of operations. You are cautioned not to place undue reliance on any forward-looking statements made by us or on our behalf. Please take into account that forward-looking statements speak only as of the date of this prospectus supplement or, in the case of the accompanying prospectus or any documents incorporated by reference, the date of any such document. We do not undertake any obligation to publicly correct or update any forward-looking statement if we later become aware that it is not likely to be achieved. You are advised, however, to consult any further disclosures we make on related subjects in reports to the SEC.

**Table of Contents**

**SUMMARY**

*This summary contains basic information about us and this offering. Because it is a summary, it does not contain all of the information that you should consider before investing in the notes. You should read this entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference carefully, including the section entitled Risk Factors in this prospectus supplement and in our Annual Report on Form 10-K, as may be supplemented by subsequently filed Quarterly Reports on Form 10-Q, and our financial statements and the notes thereto incorporated by reference into this prospectus supplement and the accompanying prospectus before making an investment decision. Unless otherwise indicated or the context otherwise requires, all references in this prospectus supplement to the Company, we, our, us, or similar terms mean Stanley Black & Decker, Inc. and its subsidiaries.*

**The Company**

Stanley Black & Decker, Inc. was founded in 1843 by Frederick T. Stanley and incorporated in 1852. We are a diversified global provider of hand tools, power tools and accessories, industrial tools and automotive tools and equipment, mechanical access solutions, electronic security solutions and technology-based (engineered) fastening systems. Stanley®, Black & Decker® and DeWalt® along with the family of Stanley Black & Decker, Inc. brands are recognized around the world for quality, innovation and value and are among the world's most trusted brands.

Our principal executive office is located at 1000 Stanley Drive, New Britain, Connecticut 06053 and our telephone number is (860) 225-5111.

**Table of Contents**

**The Offering**

*For purposes of this Offering section of the prospectus supplement summary, we, us, our, or the company refers to Stanley Black & Decker, Inc., and not its subsidiaries.*

|                      |   |
|----------------------|---|
| Issuer               | Stanley Black & Decker, Inc., a Connecticut corporation.  |
| Securities Offered   | \$ _____ in aggregate principal amount of _____ % notes due 2022.   |
| Maturity             | _____, 2022.  |
| Interest             | The notes will bear interest at the rate of _____ % per annum, payable semiannually, in arrears, on _____ and _____, commencing on _____, 2013.   |
| Guarantee            | The notes will be guaranteed on a senior unsecured basis by Black & Decker. See Description of the Notes Black & Decker Guarantee.  |
| Ranking              | <p>The notes will be our direct, unsecured general obligations and rank equally in right of payment with all of our and Black &amp; Decker's other unsecured and unsubordinated debt. As of September 29, 2012, we and Black &amp; Decker had \$1,300.0 million principal amount (or \$1,100.0 million principal amount after giving effect to the repayment at maturity of our 4.90% Notes due 2012 on November 1, 2012 (the 4.90% Notes Repayment)) of unsecured and unsubordinated indebtedness that would rank equally in right of payment with the notes and \$30.6 million principal amount of unsecured and unsubordinated indebtedness issued by us that is not guaranteed by Black &amp; Decker that is structurally subordinated to the notes.</p> <p>The notes will not be obligations of or guaranteed by any of our subsidiaries other than Black &amp; Decker. As a result, the notes will be structurally subordinated to all debt and other liabilities of our subsidiaries other than Black &amp; Decker, which means that creditors and preferred stockholders of our subsidiaries will be paid from the assets of such subsidiaries before holders of the notes would have any claims to those assets. See Description of the Notes Ranking.</p> |
| Use of Proceeds      | We expect to receive net proceeds from this offering of approximately \$ _____ million, after expenses and underwriters' discounts. We intend to use the net proceeds from this offering for general corporate purposes, including repayment of short term borrowings. See Use of Proceeds.   |
| Additional Issuances | We may, at any time, create and issue additional notes having the same terms as the notes. If we issue additional notes with original issue discount for U.S. federal income tax purposes, purchasers of notes after such further issuance may be required to accrue original issue discount with respect to their notes. This may affect the price of outstanding notes as a result of a further issuance. See Description of the Notes Further  |

Issuances.

Optional Redemption

We may redeem some or all of the notes at any time and from time to time at the redemption price discussed under the caption Description of the Notes Optional Redemption.

S-2

**Table of Contents**

|                   |  |
|-------------------|--|
| Change of Control | If a Change of Control Triggering Event occurs, we will make an offer to repurchase the notes. See Description of the Notes Change of Control. |
| Trustee           | The Bank of New York Mellon Trust Company, N.A.  |
| Governing Law     | State of New York.   |

**Table of Contents**

**RISK FACTORS**

*In considering whether to invest in the notes you should carefully consider all of the information we have incorporated by reference into this prospectus supplement and the accompanying prospectus. In particular, you should carefully consider the risk factors described below, the discussion of risks relating to our business under the caption *Risk Factors* in our annual report on Form 10-K and subsequently filed Quarterly Reports on Form 10-Q and the factors listed in *Special Note Regarding Forward-Looking Statements* in this prospectus supplement before deciding whether an investment in the notes is suitable for you. The notes are not an appropriate investment for you if you are unsophisticated with respect to the significant terms of the notes or financial matters.*

**Risk Factors Relating to the Notes**

**An active trading market for the notes may not develop.**

We cannot assure you that an active trading market for the notes will develop or as to the liquidity or sustainability of any such market, the ability of the holders to sell their notes or the price at which holders of the notes will be able to sell their notes. Future trading prices of the notes will depend on many factors, including, among other things, prevailing interest rates, the market for similar securities, our performance and other factors. We do not intend to apply for listing of the notes on any securities exchange or other market.

**We cannot assure you as to the market price for the notes. If you are able to resell your notes, the price you receive will depend on many other factors that may vary over time, including:**

our credit ratings;

the number of potential buyers;

the level of liquidity of the notes;

our financial performance;

the amount of total indebtedness we have outstanding;

the level, direction and volatility of market interest rates and credit spreads generally;

the market for similar securities;

the repayment and redemption features of the notes; and

the time remaining until your notes mature.

As a result of these and other factors, you may be able to sell your notes only at a price below that which you believe to be appropriate, including a price below the price you paid for them.

**There is no limit on our ability to create additional notes.**



## Edgar Filing: STANLEY BLACK & DECKER, INC. - Form 424B5

Under the terms of the Indenture (as defined herein) under which the notes will be issued, we may from time to time without notice to, or the consent of, the holders of the notes, create and issue additional notes identical to the notes in all respects (except for the payment of interest accruing prior to the issue date of the new notes or except for the first payment of interest following the issue date of the new notes) so that the new notes may be consolidated and form a single series with the notes.

### **We may release the Black & Decker guarantee.**

We are permitted to release the Black & Decker guarantee under the circumstances described under Description of the Notes Black & Decker Guarantee. If we release the Black & Decker guarantee, the notes will be structurally subordinated to all existing and future indebtedness and other obligations of Black & Decker and our other subsidiaries. See Description of the Notes Ranking.

S-4

---

**Table of Contents**

**We are both an operating company and a holding company and may require cash from our subsidiaries to make payments on the notes.**

The notes are solely our obligation, and no other entity will have any obligation, contingent or otherwise, to make payments in respect of the notes. While we have substantial operations of our own, we are also a holding company for several direct and indirect subsidiaries. Our subsidiaries other than Black & Decker will have no obligation to make payments in respect of the notes. Accordingly, we may depend, in part, on dividends and other distributions from our subsidiaries to generate the funds necessary to meet our obligations under the Indenture governing the notes, including payment of interest. As described above, as an equity holder of our subsidiaries, our ability to participate in any distribution of assets of any subsidiary is structurally subordinate to the claims of the creditors of that subsidiary. The Indenture governing the notes does not restrict the amount of unsecured debt that our subsidiaries may incur. If we are unable to obtain cash from our subsidiaries, we may be unable to fund required payments in respect of the notes.

**If the Black & Decker guarantee is deemed a fraudulent conveyance or preferential transfer, a court may subordinate or void it.**

If, under relevant federal and state fraudulent transfer and conveyance statutes, in a bankruptcy or reorganization case or a lawsuit by or on behalf of unpaid creditors of our company, a court were to find that, at the time Black & Decker incurred a guarantee:

it did so with the intent of hindering, delaying or defrauding current or future creditors, or received less than reasonably equivalent value or fair consideration for incurring the guarantee; and

Black & Decker:

was insolvent or was rendered insolvent by reason of the incurrence of the indebtedness constituting the guarantee;

was engaged, or about to engage, in a business or transaction for which its assets constituted unreasonably small capital; or

was a defendant in an action for money damages, or had a judgment for money damages docketed against it if, in either case, after final judgment the judgment is unsatisfied;

the court could void or subordinate the applicable guarantee to currently existing and future indebtedness of Black & Decker, and take other action detrimental to the holders of the notes including, under certain circumstances, invalidating the guarantee.

The measure of insolvency for purposes of the foregoing considerations will vary depending upon the law of the jurisdiction that is being applied in the relevant legal proceeding. Generally, however, Black & Decker would be considered insolvent if, at the time Black & Decker incurs the indebtedness constituting the guarantee either:

the sum of its debts, including contingent liabilities, is greater than its assets, at a fair valuation; or

the present fair saleable value of its assets is less than the amount required to pay the probable liability on its total existing debts and liabilities, including contingent liabilities, as they become absolute and matured.

We cannot give you any assurance as to what standards a court would use to determine whether Black & Decker was solvent at the relevant time or, regardless what standard was used, whether the applicable guarantee would not be avoided on another of the grounds described above.

While the guarantee provided by Black & Decker will be limited by its terms to the maximum amount that Black & Decker can pay without the guarantee being deemed a fraudulent conveyance, a court could find these limitations on the maximum amount of the guarantee to be ineffective or unenforceable and still apply federal and state fraudulent conveyance statutes to the guarantee to void the obligations under the guarantee or subordinate the guarantee to all other obligations of Black & Decker.



**Table of Contents**

**Our ability to repurchase notes upon a change of control may be limited.**

Upon the occurrence of a Change of Control Triggering Event (as defined herein), each holder of notes will have the right to require us to repurchase the holder's notes. If a Change of Control Triggering Event were to occur, but we did not have sufficient funds to pay the repurchase price for all of the notes which were tendered, that failure would constitute an event of default under the Indenture. Therefore, the occurrence of a Change of Control Triggering Event at a time when we could not pay for the notes which were tendered as a result of the Change of Control Triggering Event could result in holders of notes receiving substantially less than the principal amount of the notes.

**Table of Contents**

**USE OF PROCEEDS**

We expect to receive net proceeds from this offering of approximately \$        million, after expenses and underwriters discounts. We intend to use the net proceeds from this offering for general corporate purposes, including repayment of short term borrowings.

S-7

**Table of Contents****PRESENTATION OF COMPREHENSIVE INCOME**

The following tables presents the retrospective application of Accounting Standards Update ( ASU ) No. 2011-05, Presentation of Comprehensive Income, as amended by ASU No. 2011-12, Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05, for the fiscal years ended December 31, 2011, January 1, 2011 and January 2, 2010 and should be read in conjunction with the information in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2011.

|  | <b>2011</b> | <b>2010</b> | <b>2009</b> |
|--|-------------|-------------|-------------|
| Net income   | \$ 674.5    | \$ 198.2    | \$ 226.3    |
| Other comprehensive income (loss), net of tax                              |             |             |             |
| Currency translation adjustments   | (116.6)     | (6.9)       | 77.1        |
| Cash flow hedge  | (25.7)      | (54.9)      |             |
| Pension  | (90.6)      | 22.0        | (1.6)       |
| Other comprehensive income (loss), net of tax                              | (232.9)     | (39.8)      | 75.5        |
| Comprehensive income, net of tax   | 441.6       | 158.4       | 301.8       |
| Less: comprehensive income (loss) attributable to non-controlling interest | (0.1)       |             | 2.0         |
| Comprehensive income attributable to common shareowners                    | \$ 441.7    | \$ 158.4    | \$ 299.8    |

The following table presents comprehensive income for Stanley Black & Decker, Inc., The Black & Decker Corporation, the subsidiaries that have not guaranteed our debt and on a consolidated basis.

|   | <b>Stanley Black<br/>&amp; Decker, Inc.</b> | <b>The Black &amp;<br/>Decker<br/>Corporation</b> | <b>Non-<br/>Guarantor<br/>Subsidiaries</b> | <b>Eliminations</b> | <b>Consolidated</b> |
|---|---|---|--|---------------------|---------------------|
| Comprehensive income attributable to common shareowners |   |   |  |                     |                     |
| Fiscal year ended December 31, 2011                     | \$ 441.7                                    | \$ 521.7  | \$ 620.2                                   | \$ (1,141.9)        | \$ 441.7            |
| Fiscal year ended January 1, 2011                       | 158.4                                       | (51.8)  | 470.4                                      | (418.6)             | 158.4               |
| Fiscal year ended January 2, 2010                       | 299.8                                       |   | 276.6                                      | (276.6)             | 299.8               |

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

The ratio of earnings to fixed charges for each of the periods indicated is set forth below. For purposes of computing these ratios, earnings represents income from continuing operations before income taxes, fixed charges and distributed income of equity investees. Fixed charges are the sum of (i) interest expensed and capitalized, (ii) amortized premiums, discounts and capitalized expenses related to indebtedness and (iii) the portion of rents representative of interest.

|                                    | <b>Nine Months<br/>Ended</b> |             | <b>For the Fiscal Year</b> |             |             |             |
|------------------------------------|------------------------------|-------------|----------------------------|-------------|-------------|-------------|
|                                    | <b>September 29, 2012</b>    | <b>2011</b> | <b>2010</b>                | <b>2009</b> | <b>2008</b> | <b>2007</b> |
| Ratio of Earnings to Fixed Charges | 5.3x                         | 6.0x        | 2.9x                       | 5.0x        | 3.8x        | 5.2x        |

|   | <b>Nine Months Ended<br/>September 29, 2012</b> | <b>For the Fiscal Year<br/>2011</b> |
|---|---|-------------------------------------|
| Pro Forma Ratio of Earnings to Fixed Charges <sup>(1)</sup> |   |                                     |

- (1) Our pro forma ratios of earnings to fixed charges were computed assuming the notes offered in this prospectus supplement were issued on January 2, 2011.

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

The following table sets forth our cash and cash equivalents and capitalization as of September 29, 2012, on (i) an actual basis, (ii) on an as adjusted basis to give effect to the 4.90% Notes Repayment and (iii) on a further as adjusted basis to give effect to the 4.90% Notes Repayment and the issuance of the notes and the application of the net proceeds.

The actual data included in the table below is derived from our unaudited consolidated financial statements as of September 29, 2012. The information set forth below in the as adjusted and as further adjusted columns, does not give effect to any changes in cash and cash equivalents or the components of capitalization, including changes in shareholders' equity and short term borrowings, since September 29, 2012 other than to give effect to the 4.90% Notes Repayment and the issuance of the notes, as applicable. This table should be read in conjunction with those consolidated financial statements and the notes thereto in our quarterly report on Form 10-Q for the quarter ended September 29, 2012 and incorporated in this prospectus supplement by reference.

|   | As of September 29, 2012 |   |  |
|---|--------------------------|---|--|
|   | Actual                   | As Adjusted<br>4.90%<br>Notes<br>Repayment<br>(unaudited) | As Further<br>Adjusted<br>Offering of<br>Notes |
|   | (in millions)            |   |  |
| Cash and cash equivalents                     | \$ 769.5                 | \$ 569.5  | \$   |
| Short-term borrowings                         | \$ 1,336.7               | \$ 1,336.7  | \$   |
| Long-term debt, including current maturities: |                          |   |  |
| 4.90% Notes due 2012                          | \$ 200.4                 | \$  | \$   |
| 5.75% Notes due 2016                          | 328.6                    | 328.6   | 328.6  |
| 4.25% Subordinated Notes due 2018             | 632.5                    | 632.5   | 632.5  |
| 3.40% Notes due 2021                          | 419.0                    | 419.0   | 419.0  |
| 7.05% Notes due 2028                          | 171.8                    | 171.8   | 171.8  |
| 5.20% Notes due 2040                          | 399.7                    | 399.7   | 399.7  |
| 5.75% Junior Subordinated Debentures due 2052 | 750.0                    | 750.0   | 750.0  |
| % Notes due 2022 offered hereby               |                          |   |  |
| Other   | 35.5                     | 35.5  | 35.5   |
| Long-term debt, including current maturities  | 2,937.5                  | 2,737.1   |  |
| Less current maturities                       | (208.6)                  | (8.2)   | (8.2)  |
| Total long-term debt                          | 2,728.9                  | 2,728.9   |  |
| Total shareholders' equity                    | 7,263.9                  | 7,263.9   |  |
| Total capitalization                          | \$ 9,992.8               | \$ 9,992.8  | \$   |



**Table of Contents**

**DESCRIPTION OF THE NOTES**

**General**

The notes will be issued under an indenture, dated as of November 1, 2002 (the Indenture ), between us and The Bank of New York Mellon Trust Company, N.A. as successor trustee (the Trustee ) to JPMorgan Chase Bank, N.A., as supplemented by the second supplemental indenture, dated as of March 12, 2010, among us, Black & Decker and the Trustee and a supplemental indenture among us, Black & Decker and the Trustee establishing the terms of the notes. The following description of the particular terms of the notes supplements the description of the general terms and provisions of the debt securities set forth in the accompanying prospectus.

The notes:

will be unsecured, unsubordinated debt securities;

will initially be limited to \$                      aggregate principal amount;

will mature on                      , 2022;

will bear interest from                      , 2012 at the rate of      % per annum; and

will pay interest semiannually, in arrears, on                      and                      , commencing on                      , 2013 to the persons in whose names the notes are registered at the close of business on the preceding                      and                      , respectively.

As used in this Description of the Notes, the terms we, our and us refer to Stanley Black & Decker, Inc., a Connecticut corporation, and do not, unless otherwise specified, include our subsidiaries.

**Black & Decker Guarantee**

The notes will be guaranteed on a senior unsecured basis by Black & Decker. Black & Decker will guarantee the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all of our monetary obligations under the Indenture and the notes, whether for principal of, premium, if any, or interest on the notes, expenses, indemnification or otherwise, and agree to pay any and all reasonable out-of-pocket expenses incurred by the Trustee or the note holders in enforcing any rights under the guarantee. The obligations of Black & Decker as a guarantor will be limited to the extent necessary to prevent the obligations from constituting a fraudulent conveyance or fraudulent transfer.

Black & Decker's guarantee will be a continuing guarantee and will inure to the benefit of and be enforceable by the Trustee, the holders of the notes and their successors, transferees and assigns.

Notwithstanding the preceding paragraph, Black & Decker will automatically and unconditionally be released from all obligations under its guarantee, and such guarantee shall thereupon terminate and be discharged and of no further force or effect, (i) upon the merger or consolidation of Black & Decker, in the event of a sale or other transfer of equity interests in, or assets of, Black & Decker, or dissolution of Black & Decker in compliance with the terms of the Indenture following which Black & Decker ceases to be our consolidated subsidiary; (ii) upon legal or covenant defeasance of our obligations, or satisfaction and discharge of the Indenture or (iii) upon payment in full of the aggregate principal amount of all notes then outstanding.

In addition, we are permitted to release the guarantee of the notes without the consent of the Trustee or any holder of notes if:

Edgar Filing: STANLEY BLACK & DECKER, INC. - Form 424B5

- (1) Black & Decker is not then, or immediately thereafter will not be, a guarantor of our credit agreement with a syndicate of banks represented by Citibank, N.A. or any replacement bank credit facility or such guarantee is released simultaneously with the release of the guarantee on the notes;

S-11

## **Table of Contents**

- (2) Black & Decker is not then, or immediately thereafter will not be, a guarantor of any of our outstanding senior unsecured notes or debentures issued in capital market transactions or such guarantees are released simultaneously with the release of the guarantee on the notes; and

- (3) no event of default has occurred and is continuing.

Once released, we will not be required to reinstate the Black & Decker guarantee even if one or more of the conditions required for the release is not satisfied in the future.

The Black & Decker guarantee may be modified or terminated with the consent of holders of a majority in principal amount of the notes.

## **Ranking**

Until the Black & Decker guarantee is released, the notes will be our direct, unsecured general obligations, guaranteed on a senior unsecured basis by Black & Decker, and rank equally in right of payment with all of our and Black & Decker's other unsecured and unsubordinated debt. As of September 29, 2012, we and Black & Decker had \$1,300.0 million principal amount (or \$1,100.0 million principal amount after giving effect to the 4.90% Notes Repayment) of unsecured and unsubordinated indebtedness that would rank equally in right of payment with the notes and \$30.6 million principal amount of unsecured and unsubordinated indebtedness issued by us that is not guaranteed by Black & Decker that is structurally subordinated to the notes.

The notes will not be obligations of or guaranteed by any of our subsidiaries other than Black & Decker. As a result, the notes will be structurally subordinated to all debt and other liabilities of our subsidiaries other than Black & Decker, which means that creditors and preferred stockholders of such subsidiaries will be paid from the assets of such subsidiaries before holders of the notes would have any claims to those assets. As of September 29, 2012, our subsidiaries other than Black & Decker had approximately \$4,999.0 million of total liabilities (excluding affiliate liabilities owed to Stanley Black & Decker, Inc. and Black & Decker), including the principal amount of debt outstanding.

If the Black & Decker guarantee is released, the notes will be structurally subordinated to all debt and other liabilities of our subsidiaries. As of September 29, 2012, our subsidiaries had approximately \$5,965.0 million of total liabilities (excluding affiliate liabilities owed to Stanley Black & Decker, Inc.), including the principal amount of debt outstanding.

## **Further Issuances**

We may from time to time, without notice to or consent of the holders of the notes, issue additional notes of the same tenor, coupon and other terms as the notes, so that such notes and the notes offered hereby will form a single series. We refer to this additional issuance of notes as a further issuance.

Purchasers of the notes we are offering, after the date of any further issuance, will not be able to differentiate between the notes sold as part of the further issuance and previously issued notes. If we were to issue notes with original issue discount for U.S. federal income tax purposes, persons that are subject to U.S. federal income taxation who purchase notes after such further issuance may be required to accrue original issue discount with respect to their notes. This may adversely affect the price of outstanding notes as a result of a further issuance. Purchasers are advised to consult their own tax advisors with respect to the U.S. tax implications of any future decision by us to undertake a further issuance of additional notes with original issue discount.

## **Table of Contents**

### **Optional Redemption**

At any time and from time to time, the notes are redeemable, as a whole or in part (equal to an integral multiple of \$1,000), at our option, on at least 30 days, and not more than 60 days, prior notice mailed to the registered address of each holder of the notes.

The redemption price for the notes to be redeemed will be equal to the greater of:

100% of the principal amount of the notes to be redeemed, or

the sum of the present values of the remaining scheduled payments of interest and principal on the notes to be redeemed (exclusive of interest accrued and unpaid to, but not including, the date of redemption) discounted to the date of redemption on a semiannual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate (as defined below) plus        basis points, plus accrued and unpaid interest to, but not including, the date of redemption.

The principal amount of a note remaining outstanding after a redemption in part shall be \$2,000 or an integral multiple of \$1,000 in excess thereof. Once notice of redemption is mailed, the notes called for redemption will become due and payable on the redemption date and at the redemption price, plus accrued and unpaid interest to the redemption date.

**Comparable Treasury Issue** means the United States Treasury security or securities selected by an Independent Investment Banker as having an actual or interpolated maturity comparable to the remaining term of the notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the remaining term of such notes.

**Comparable Treasury Price** means, with respect to any redemption date, (A) the arithmetic average, as determined by us, of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (B) if we obtain fewer than four such Reference Treasury Dealer Quotations, the arithmetic average, as determined by us, of all such quotations for such redemption date.

**Independent Investment Banker** means one of the Reference Treasury Dealers appointed by us; provided, that if such Reference Treasury Dealer ceases to be a Primary Treasury Dealer, we will substitute another Primary Treasury Dealer.

**Reference Treasury Dealer** means Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Goldman, Sachs & Co. and J.P. Morgan Securities LLC; provided, that if any of the foregoing dealers shall cease to be a primary U.S. Government securities dealer in the United States (a Primary Treasury Dealer), we will substitute another Primary Treasury Dealer.

**Reference Treasury Dealer Quotations** means, with respect to each Reference Treasury Dealer and any redemption date, the arithmetic average, as determined by us, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to us by such Reference Treasury Dealer at 3:30 p.m. New York City time on the third business day preceding such redemption date.

**Treasury Rate** means, with respect to any redemption date, the rate per annum equal to the semiannual equivalent yield to maturity or interpolated (on a day count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

---

## **Table of Contents**

On and after the redemption date for the notes, interest will cease to accrue on the notes or any portion thereof called for redemption, unless we default in the payment of the redemption price. On or before the redemption date for the notes, we will deposit with a paying agent, or the Trustee, funds sufficient to pay the redemption price of and accrued and unpaid interest on such notes to be redeemed on such date. If less than all of the notes are to be redeemed, the notes to be redeemed will be selected by the Trustee by such method as the Trustee deems fair and appropriate.

### **Change of Control**

If a Change of Control Triggering Event occurs, unless we have exercised our option to redeem all notes then outstanding, you will have the right to require us to repurchase all or any part (equal to an integral multiple of \$1,000) of your notes pursuant to the offer described below (the Change of Control Offer ); provided that the principal amount of a note outstanding after a repurchase in part shall be \$2,000 or an integral multiple of \$1,000 in excess thereof. In the Change of Control Offer, we will offer payment in cash equal to 101% of the aggregate principal amount of notes to be repurchased plus accrued and unpaid interest, if any, on the notes repurchased, to the date of purchase (the Change of Control Payment ). Within 30 days following any Change of Control Triggering Event, we will mail a notice to you describing the transaction or transactions that constitute the Change of Control Triggering Event and offering to repurchase the notes on the date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed (the Change of Control Payment Date ), pursuant to the procedures and described in such notice. We will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the notes as a result of a Change of Control Triggering Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control provisions of the notes, we will comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations under the Change of Control provisions of the Indenture by virtue of such conflicts.

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

accept for payment all notes or portions of notes properly tendered pursuant to the Change of Control Offer;

deposit with the paying agent an amount equal to the Change of Control Payment in respect of all notes or portions of notes properly tendered; and

deliver or cause to be delivered to the Trustee the notes properly accepted together with an officers certificate stating the aggregate principal amount of notes or portions of notes being purchased by us and the amount to be paid by the paying agent.

For purposes of the foregoing discussion of a repurchase at the option of holders, the following definitions are applicable:

**Below Investment Grade Rating Event** means the notes are rated below an Investment Grade Rating by each of the Rating Agencies on any date from the date of the public notice of an arrangement that could result in a Change of Control until the end of the 60-day period following public notice of the occurrence of the Change of Control (which 60-day period shall be extended so long as the rating of the notes is under publicly announced consideration for possible downgrade by any two of the three Rating Agencies).

**Change of Control** means the occurrence of any of the following: (1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of us and our subsidiaries taken as a whole to any person (as that term is used in Section 13(d)(3) of the Exchange Act) other than us or one of our subsidiaries; (2) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any person (as defined above) becomes the beneficial owner, directly

## **Table of Contents**

or indirectly, of more than 50% of the then outstanding total voting power of all shares of our capital stock entitled to vote generally in elections of directors; or (3) the first day on which a majority of the members of our board of directors are not Continuing Directors.

**Change of Control Triggering Event** means the occurrence of both a Change of Control and a Below Investment Grade Rating Event.

**Continuing Directors** means, as of any date of determination, any member of our board of directors who (1) was a member of such board of directors on the date the notes were first issued; 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.

**Fitch** means Fitch, Inc. and its successors.

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

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

**Rating Agencies** means (1) each of Moody's, S&P and Fitch; and (2) if any of Moody's, S&P or Fitch ceases to rate the notes or fails to make a rating of the notes publicly available for reasons outside of our control, a nationally recognized statistical rating organization within the meaning of Section 3(a)(62) under the Exchange Act selected by us (as certified by a resolution of our board of directors) as a replacement agency for Moody's, S&P or Fitch, as the case may be.

**S&P** means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., and its successors.

## **Defeasance**

The defeasance provisions described under **Description of Debt Securities Discharge, Defeasance and Covenant Defeasance** in the accompanying prospectus will apply to the notes.

## **Benefits of Indenture**

Nothing in the Indenture will confer upon or give to any person other than us, the Trustee, our and its successors, and the person or persons in whose names the notes are registered in the security register for the notes, any benefit, right, remedy or claim under the Indenture.

## **Book-Entry System**

The Depository Trust Company ( **DTC** ) which we refer to along with its successors in this capacity as the depository, will act as securities depository for the notes. The notes will be issued as fully registered securities registered in the name of Cede & Co., the depository's nominee. One or more fully registered global security certificates, representing the total aggregate principal amount of the notes, will be issued and will be deposited with the depository or its custodian and will bear a legend regarding the restrictions on exchanges and registration of transfer referred to below.

The laws of some jurisdictions may require that some purchasers of securities take physical delivery of securities in definitive form. These laws may impair the ability to transfer beneficial interests in the notes so long as the notes are represented by global security certificates.

## Table of Contents

Investors may elect to hold interests in the global notes through either DTC in the U.S. or Clearstream or Euroclear, in Europe if they are participants of such systems, or indirectly through organizations which are participants in such systems. Clearstream and Euroclear will hold interests on behalf of their participants through customers' securities accounts in Clearstream's and Euroclear's names on the books of their respective depositaries, which in turn will hold such interests in customers' securities accounts in the depositaries' names on the books of DTC.

DTC has advised us that it is a limited-purpose trust company organized under the New York Banking Law, a banking organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code and a clearing agency registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities that its participants ( Direct Participants ) deposit with DTC and facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ( DTCC ). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ( Indirect Participants ). The DTC rules applicable to its Participants are on file with the SEC.

Clearstream advises that it is incorporated under the laws of Luxembourg as a professional depositary. Clearstream holds securities for its participating organizations ( Clearstream Participants ) and facilitates the clearance and settlement of securities transactions between Clearstream Participants through electronic book-entry changes in accounts of Clearstream Participants, thereby eliminating the need for physical movement of certificates. Clearstream provides to Clearstream Participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream interfaces with domestic markets in several countries. As a registered bank in Luxembourg, Clearstream is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector (Commission de Surveillance du Secteur Financier). Clearstream Participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations and may include the underwriters. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream Participant, either directly or indirectly.

Distributions with respect to interests in the notes held beneficially through Clearstream will be credited to cash accounts of Clearstream Participants in accordance with its rules and procedures.

Euroclear advises that it was created in 1968 to hold securities for participants of Euroclear ( Euroclear Participants ) and to clear and settle transactions between Euroclear Participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear includes various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A. /N.V. ( Euroclear Operator ). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator. Euroclear Participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the underwriters. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly.

---

**Table of Contents**

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of Euroclear, and applicable Belgian law, which we refer to collectively as the Terms and Conditions. The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear Participants, and has no records of or relationship with persons holding through Euroclear Participants.

Distributions with respect to the notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear Participants in accordance with the Terms and Conditions.

We will issue the notes in definitive certificated form if the depositary notifies us that it is unwilling or unable to continue as depositary or the depositary ceases to be a clearing agency registered under the Exchange Act, and a successor depositary is not appointed by us within 90 days. In addition, beneficial interests in a global security certificate may be exchanged for definitive certificated notes upon request by or on behalf of the depositary in accordance with customary procedures following the request of a beneficial owner seeking to exercise or enforce its rights under such notes. If we determine at any time that the notes shall no longer be represented by global security certificates, we will inform the depositary of such determination who will, in turn, notify participants of their right to withdraw their beneficial interest from the global security certificates, and if such participants elect to withdraw their beneficial interests, we will issue certificates in definitive form in exchange for such beneficial interests in the global security certificates. Any global note, or portion thereof, that is exchangeable pursuant to this paragraph will be exchangeable for security certificates, as the case may be, registered in the names directed by the depositary. We expect that these instructions will be based upon directions received by the depositary from its participants with respect to ownership of beneficial interests in the global security certificates.

As long as the depositary or its nominee is the registered owner of the global security certificates, the depositary or its nominee, as the case may be, will be considered the sole owner and holder of the global security certificates and all notes represented by these certificates for all purposes under the Indenture. Except in the limited circumstances referred to above, owners of beneficial interests in global security certificates:

will not be entitled to have the notes represented by these global security certificates registered in their names, and

will not be considered to be owners or holders of the global security certificates or any notes represented by these certificates for any purpose under the notes or the Indenture.

All payments on the notes represented by global security certificates and all transfers and deliveries of related notes will be made to the depositary or its nominee, as the case may be, as the holder of such securities.

Ownership of beneficial interests in the global security certificates will be limited to participants or persons that may hold beneficial interests through institutions that have accounts with the depositary or its nominee. Ownership of beneficial interests in global security certificates will be shown only on, and the transfer of those ownership interests will be effected only through, records maintained by the depositary or its nominee, with respect to participants' interests, or any participant, with respect to interests of persons held by the participant on their behalf. Payments, transfers, deliveries, exchanges and other matters relating to beneficial interests in global security certificates may be subject to various policies and procedures adopted by the depositary from time to time. Neither we nor the Trustee, nor any of our or the Trustee's respective agents, will have any responsibility or liability for any aspect of the depositary's or any participant's records relating to, or for payments made on account of, beneficial interests in global security certificates, or for maintaining, supervising or reviewing any of the depositary's records or any participant's records relating to these beneficial ownership interests.



## **Table of Contents**

Although the depository has agreed to the foregoing procedures in order to facilitate transfers of interests in the global security certificates among participants, the depository is under no obligation to perform or continue to perform these procedures, and these procedures may be discontinued at any time. We will not have any responsibility for the performance by the depository or its direct participants or indirect participants under the rules and procedures governing the depository.

The information in this section concerning the depository, its book-entry system, Clearstream and Euroclear has been obtained from sources that we believe to be reliable, but we have not attempted to verify the accuracy of this information.

### **Global Clearance and Settlement Procedures**

Initial settlement for the notes will be made in immediately available funds. Secondary market trading between DTC Participants will occur in the ordinary way in accordance with DTC rules and will be settled in immediately available funds using DTC's Same-Day Funds Settlement System. Secondary market trading between Clearstream Participants and/or Euroclear Participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream and Euroclear, as applicable.

Cross-market transfers between persons holding directly or indirectly through DTC on the one hand, and directly or indirectly through Clearstream Participants or Euroclear Participants, on the other, will be effected through DTC in accordance with DTC rules; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time).

Because of time-zone differences, credits of the notes received in Clearstream or Euroclear as a result of a transaction with a DTC Participant will be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Such credits or any transactions in such notes settled during such processing will be reported to the relevant Euroclear Participant or Clearstream Participant on such business day. Cash received in Clearstream or Euroclear as a result of sales of the notes by or through a Clearstream Participant or a Euroclear Participant to a DTC Participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the business day following settlement in DTC.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of notes among participants of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be discontinued or changed at any time.

---

**Table of Contents**

**CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS FOR NON-U.S. HOLDERS**

The following is a general discussion of certain U.S. federal income tax consequences of the purchase, ownership and disposition of the notes. This discussion applies only to a Non-U.S. Holder (as defined below) that acquires the notes pursuant to this offering at the initial offering price. This discussion is based on the Internal Revenue Code of 1986, as amended (the Code), Treasury Regulations and judicial decisions and administrative interpretations thereof, all as of the date hereof and all of which are subject to change, possibly with retroactive effect. This discussion is limited to investors that hold the notes as capital assets for U.S. federal income tax purposes. Furthermore, this discussion does not address all aspects of U.S. federal income taxation that may be applicable to investors in light of their particular circumstances, or to investors subject to special treatment under U.S. federal income tax law, such as financial institutions, insurance companies, tax-exempt organizations, entities that are treated as partnerships for U.S. federal income tax purposes, U.S. holders of notes, dealers in securities or currencies, expatriates, persons deemed to sell the notes under the constructive sale provisions of the Code and persons that hold the notes as part of a straddle, hedge, conversion transaction or other integrated investment. Furthermore, this discussion does not address any U.S. federal estate or gift tax consequences or any state, local or foreign tax consequences. Prospective investors should consult their tax advisors regarding the U.S. federal, state, local and foreign income and other tax consequences of the purchase, ownership and disposition of the notes.

For purposes of this summary, the term Non-U.S. Holder means a beneficial owner of a note other than a partnership or other entity or arrangement treated as a partnership for U.S. federal income tax purposes that is not, for U.S. federal income tax purposes (i) an individual who is a citizen or resident of the United States, (ii) a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, that is created or organized under the laws of the United States, any of the States or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source, or (iv) a trust (A) if a court within the United States is able to exercise primary control over its administration and one or more U.S. persons have the authority to control all substantial decisions of such trust, or (B) that has made a valid election to be treated as a U.S. person for U.S. federal income tax purposes.

If a partnership (including any entity or arrangement treated as a partnership for U.S. federal income tax purposes) owns the notes, the tax treatment of a partner in the partnership will depend upon the status of the partner and the activities of the partnership. Partners in a partnership that owns the notes should consult their tax advisors as to the particular U.S. federal income tax consequences applicable to them.

**Non-U.S. Holders**

***Interest***

Subject to the discussion below concerning backup withholding, a Non-U.S. Holder generally will not be subject to U.S. federal income or withholding tax on payments of interest on the notes provided that (i) such interest is not effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States (or, if certain tax treaties apply and such interest is effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States, such interest is not attributable to a permanent establishment maintained by the Non-U.S. Holder in the United States) and (ii) the Non-U.S. Holder (A) does not actually or constructively own 10% or more of the total combined voting power of all classes of our voting stock, (B) is not a controlled foreign corporation related to us directly or constructively through stock ownership, and (C) satisfies certain certification requirements. Such certification requirements will be satisfied if (x) the Non-U.S. Holder provides its name and address, and certifies on IRS Form W-8BEN (or a substantially similar form), under penalties of perjury, that it is not a U.S. person or (y) a securities clearing organization or other eligible financial institution holding the note on behalf of the Non-U.S. Holder certifies on IRS Form W-8IMY, under penalties of perjury, that it has received the required certification from the Non-U.S. Holder and furnishes the withholding agent with a copy thereof. In addition, the withholding agent must not have actual knowledge or reason to know that the beneficial owner of the note is a U.S. person.

## **Table of Contents**

If interest on the notes is not effectively connected with the conduct of a trade or business in the United States by a Non-U.S. Holder, but such Non-U.S. Holder cannot satisfy the other requirements outlined above, interest on the notes will generally be subject to U.S. withholding tax at a 30% rate (or a lower applicable treaty rate).

If interest on the notes is effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States, and, if certain tax treaties apply, is attributable to a permanent establishment maintained by the Non-U.S. Holder within the United States, then the Non-U.S. Holder will generally be subject to U.S. federal income tax on such interest in the same manner as if such holder were a U.S. person and, in the case of a Non-U.S. Holder that is a foreign corporation, may also be subject to an additional branch profits tax at a rate of 30% (or a lower applicable treaty rate). However, any such interest will not also be subject to withholding tax if the Non-U.S. Holder delivers a properly executed IRS Form W-8ECI in order to claim an exemption from withholding tax.

Non-U.S. Holders should consult their tax advisors regarding any applicable income tax treaties that may provide for a lower rate of withholding tax, exemption from or reduction of branch profits tax, or other rules different from those described above.

### ***Disposition of the Notes***

Subject to the discussion below concerning backup withholding, a Non-U.S. Holder generally will not be subject to U.S. federal withholding tax with respect to gain recognized on the sale, exchange, retirement or other disposition of the notes. A Non-U.S. Holder also generally will not be subject to U.S. federal income tax with respect to such gain unless (i) the gain is effectively connected with the conduct of a trade or business by the Non-U.S. Holder within the United States and, if certain tax treaties apply, is attributable to a permanent establishment maintained by the Non-U.S. Holder within the United States, or (ii) in the case of a Non-U.S. Holder that is a nonresident alien individual, such holder is present in the United States for 183 or more days in the taxable year and certain other conditions are satisfied. In the case described above in (i), gain or loss recognized on the disposition of such notes will generally be subject to U.S. federal income taxation in the same manner as if such gain or loss were recognized by a U.S. person, and, in the case of a Non-U.S. Holder that is a foreign corporation, may also be subject to an additional branch profits tax at a rate of 30% (or a lower applicable treaty rate). In the case described above in (ii), the Non-U.S. Holder generally will be subject to 30% tax (or lower applicable treaty rate) on any capital gain recognized on the disposition of the notes, which may be offset by certain U.S.-source capital losses. Proceeds from the disposition of a note that are attributable to accrued but unpaid interest generally will be subject to, or exempt from, tax to the same extent as described above with respect to interest paid on a note.

### **Information Reporting and Backup Withholding**

A Non-U.S. Holder generally will be required to comply with certain certification procedures in order to establish that such holder is not a U.S. person in order to avoid backup withholding with respect to payments of principal and interest on or the proceeds of a disposition of the notes. In addition, the amount of any interest paid to a Non-U.S. Holder and the amount of tax, if any, withheld with respect to such interest must be reported annually to the IRS and to such Non-U.S. Holder. Copies of the information returns reporting such interest payments and the amount of any tax withheld may also be made available to the tax authorities in the country in which a Non-U.S. Holder resides under the provisions of an applicable income tax treaty. Any amounts withheld under the backup withholding rules will be allowed as a refund or credit against a Non-U.S. Holder's U.S. federal income tax liability, if any, provided the required information is timely provided to the IRS. Non-U.S. Holders should consult their tax advisors as to their qualification for exemption from backup withholding and the procedure for obtaining such an exemption.

**Table of Contents****UNDERWRITING**

We and the underwriters named below have entered into an underwriting agreement with respect to the notes. Subject to certain conditions, each underwriter has severally agreed to purchase the principal amount of notes indicated in the following table.

| <b>Underwriter</b>                 | <b>Principal<br/>Amount<br/>of Notes</b> |
|------------------------------------|--|
| Citigroup Global Markets Inc.      | \$                                       |
| Credit Suisse Securities (USA) LLC |  |
| Goldman, Sachs & Co.               |  |
| J.P. Morgan Securities LLC         |  |
| <b>Total</b>                       | <b>\$</b>                                |

The underwriters are committed to take and pay for all of the notes being offered, if any are taken.

Notes sold by the underwriters to the public will initially be offered at the public offering price set forth on the cover of this prospectus supplement. Any notes sold by the underwriters to securities dealers may be sold at a discount from the public offering price of up to % of the principal amount of notes. Any such securities dealers may resell any notes purchased from the underwriters to certain other brokers or dealers at a discount from the public offering price of up to % of the principal amount of notes. If all the notes are not sold at the initial offering price, the underwriters may change the offering price and the other selling terms.

The notes are a new issue of securities with no established trading market. We have been advised by the underwriters that the underwriters intend to make a market in the notes but are not obligated to do so and may discontinue market making at any time without notice. No assurance can be given as to the liquidity of the trading market for the notes.

In connection with the offering, the underwriters may purchase and sell notes in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of more notes than they are required to purchase in the offering. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or retarding a decline in the market price of the notes while the offering is in progress.

The underwriters also may impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased notes sold by or for the account of such underwriter in stabilizing or short covering transactions.

These activities by the underwriters, as well as other purchases by the underwriters for their own accounts, may stabilize, maintain or otherwise affect the market price of the notes. As a result, the price of the notes may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the underwriters at any time. These transactions may be effected in the over-the-counter market or otherwise.

We estimate that the total expenses of the offering, excluding underwriting discounts, will be approximately \$ .

We have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended.

---

## **Table of Contents**

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the issuer, for which they received or will receive customary fees and expenses. In addition, certain of the underwriters and their respective affiliates are lenders, and in some cases agents for the lenders, under our credit facilities.

In the ordinary course of their various business activities, the underwriters and their respective affiliates have made or held, and may in the future make or hold, a broad array of investments including serving as counterparties to certain derivative and hedging arrangements, and may have actively traded, and, in the future may actively trade, debt and equity securities (or related derivative securities), and financial instruments (including bank loans) for their own account and for the accounts of their customers and may have in the past and at any time in the future hold long and short positions in such securities and instruments. Such investment and securities activities may have involved, and in the future may involve, our securities and instruments.

### **Selling Restrictions**

#### ***European Economic Area***

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State ), each underwriter has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date ) it has not made and will not make an offer of notes which are the subject of the offering contemplated by this prospectus to the public in that Relevant Member State other than:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the underwriters for any such offer; or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of notes shall require us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an offer of notes to the public in relation to any notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe for the notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression 2010 PD Amending Directive means Directive 2010/73/EU.

#### ***United Kingdom***

Each underwriter has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the FSMA ) received by it in connection with the issue or sale of the notes in circumstances in which Section 21(1) of the FSMA does not apply to us or Black & Decker; and



---

**Table of Contents**

- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the notes in, from or otherwise involving the United Kingdom.

***Hong Kong***

The notes may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), or (ii) to professional investors within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a prospectus within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

***Japan***

The securities have not been and will not be registered under the Securities and Exchange Law of Japan (the Securities and Exchange Law) and each underwriter has agreed that it will not offer or sell any securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Securities and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

***Singapore***

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes may not be circulated or distributed, nor may the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the SFA), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the notes are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the notes under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

**Table of Contents**

**LEGAL MATTERS**

We are being represented by Skadden, Arps, Slate, Meagher & Flom LLP, New York, New York, as to matters of New York law; matters of Maryland law will be passed upon for us by Miles & Stockbridge P.C., Baltimore, Maryland, and matters of Connecticut law will be passed upon for us by Donald J. Riccitelli, our corporate counsel. The validity of the notes will be passed upon for the underwriters by Davis Polk & Wardwell LLP, New York, New York. Mr. Riccitelli beneficially owns and has rights to acquire less than one percent of our common stock.

**EXPERTS**

The consolidated financial statements of Stanley Black & Decker, Inc. and subsidiaries (the Company) appearing in the Company's Annual Report (Form 10-K) for the year ended December 31, 2011 (including the schedule appearing therein), and the effectiveness of the Company's internal control over financial reporting as of December 31, 2011, have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their reports thereon, included therein, and incorporated herein by reference. Such consolidated financial statements and schedule are incorporated herein by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

The consolidated financial statements of The Black & Decker Corporation and subsidiaries (Black & Decker) as of December 31, 2009 and December 31, 2008 and for each of the three years in the period ended December 31, 2009 appearing in the Company's Current Report (Form 8-K) dated March 12, 2010 have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon, included therein, and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.



**Table of Contents**

**Prospectus**

**Stanley Black & Decker, Inc.**

Common Stock

Preferred Stock

Debt Securities

Guarantees of Debt Securities

Warrants

Depositary Shares

Stock Purchase Contracts

and

Stock Purchase Units

We may offer, issue and sell, together or separately:

shares of our common stock;

shares of our preferred stock;

debt securities, which may be senior debt securities or subordinated debt securities;

warrants to purchase our debt securities, shares of our common stock, shares of our preferred stock, depositary shares or securities of third parties or other rights;

depositary shares representing an interest in our preferred stock;

stock purchase contracts to purchase shares of our common stock; and

stock purchase units, each representing ownership of a stock purchase contract and debt securities, preferred securities or debt obligations of third-parties, including U.S. treasury securities or any combination of the foregoing, securing the holder's obligation to purchase our common stock or other securities under the stock purchase contracts.

We will provide the specific prices and terms of these securities in one or more supplements to this prospectus at the time of offering. The debt securities we offer may be guaranteed by our subsidiary, The Black & Decker Corporation, or other subsidiaries identified in one or more supplements to the prospectus. You should read this prospectus and the accompanying prospectus supplement carefully before you make your investment decision.

**This prospectus may not be used to sell securities unless accompanied by a prospectus supplement.**

**Investing in our securities involves a number of risks. See Risk Factors on page 7 before you make your investment decision.**

We may offer securities through underwriting syndicates managed or co-managed by one or more underwriters or dealers, through agents or directly to purchasers. If required, the prospectus supplement for each offering of securities will describe the plan of distribution for that offering. For general information about the distribution of securities offered, please see "Plan of Distribution" in this prospectus.

Our common stock is listed on the New York Stock Exchange under the trading symbol SWK.

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

The date of this prospectus is November 16, 2011

**Table of Contents**

**TABLE OF CONTENTS**

|   |    |
|---|----|
| <u>ABOUT THIS PROSPECTUS</u>  | 1  |
| <u>WHERE YOU CAN FIND MORE INFORMATION</u>                              | 2  |
| <u>SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>                | 4  |
| <u>STANLEY BLACK &amp; DECKER, INC.</u>                                 | 7  |
| <u>ABOUT THE GUARANTORS</u>   | 7  |
| <u>RISK FACTORS</u>   | 7  |
| <u>USE OF PROCEEDS</u>  | 7  |
| <u>RATIO OF EARNINGS TO FIXED CHARGES</u>                               | 7  |
| <u>DESCRIPTION OF SECURITIES</u>  | 8  |
| <u>DESCRIPTION OF DEBT SECURITIES</u>                                   | 9  |
| <u>DESCRIPTION OF GUARANTEES OF OUR DEBT SECURITIES</u>                 | 19 |
| <u>DESCRIPTION OF CAPITAL STOCK</u>                                     | 20 |
| <u>DESCRIPTION OF WARRANTS</u>  | 26 |
| <u>DESCRIPTION OF DEPOSITARY SHARES</u>                                 | 28 |
| <u>DESCRIPTION OF STOCK PURCHASE CONTRACTS AND STOCK PURCHASE UNITS</u> | 30 |
| <u>PLAN OF DISTRIBUTION</u>   | 31 |
| <u>LEGAL MATTERS</u>  | 32 |
| <u>EXPERTS</u>  | 32 |

**Table of Contents**

**ABOUT THIS PROSPECTUS**

This prospectus is part of an automatic shelf registration statement that we filed with the Securities and Exchange Commission (the SEC), as a well-known seasoned issuer as defined in Rule 405 under the Securities Act of 1933, as amended (the Securities Act), using a shelf registration process. Under this process, we may sell common stock; preferred stock; debt securities; warrants to purchase debt securities, common stock, preferred stock, depositary shares or securities of third parties or other rights; depositary shares; stock purchase contracts and stock purchase units. This prospectus only provides you with a general description of the securities that we may offer. Each time we sell securities, we will provide a supplement to this prospectus that contains specific information about the terms of the securities. The prospectus supplement may also add, update or change information contained in this prospectus. In the case of debt securities, the prospectus supplement may identify one or more subsidiaries providing a guarantee on our obligations under the debt securities. Before purchasing any securities, you should carefully read both this prospectus and the accompanying prospectus supplement and any free writing prospectus prepared by or on behalf of us, together with the additional information described under the heading **Where You Can Find More Information**.

We have not authorized anyone to provide you with any information other than that contained in or incorporated by reference into this prospectus, the accompanying prospectus supplement or a free writing prospectus prepared by or on behalf of us. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are not making offers to sell the securities in any jurisdiction in which an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make an offer or solicitation.

The information in this prospectus is accurate as of the date on the front cover. You should not assume that the information contained in this prospectus is accurate as of any other date.

When used in this prospectus, the terms Stanley Black & Decker, Inc., the Company, we, our and us refer to Stanley Black & Decker, Inc. and its consolidated subsidiaries, unless otherwise specified or the context otherwise requires.

**Table of Contents**

**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and current reports, proxy statements and other information with the SEC under the Securities Exchange Act of 1934, as amended and the rules promulgated thereunder (the Exchange Act). Our SEC filings are available to the public at the SEC's website at [www.sec.gov](http://www.sec.gov). You may read and copy all or any portion of this information at the Public Reference Section of the SEC, 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information about the public reference rooms. We maintain a website at [www.stanleyblackanddecker.com](http://www.stanleyblackanddecker.com). The information on our web site is not incorporated by reference in this prospectus or any prospectus supplement, and you should not consider it a part of this prospectus or any accompanying prospectus supplement.

You can also inspect reports, proxy statements and other information about Stanley Black & Decker, Inc. at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

The SEC allows us to incorporate by reference information into this prospectus and any accompanying prospectus supplement, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus and any accompanying prospectus supplement, except for any information superseded by information contained directly in this prospectus, any accompanying prospectus supplement, any subsequently filed document deemed incorporated by reference or a free writing prospectus prepared by or on behalf of us. This prospectus and any accompanying prospectus supplement incorporates by reference the documents set forth below that Stanley Black & Decker, Inc. has previously filed with the SEC (other than information deemed furnished and not filed in accordance with SEC rules, including Items 2.02 and 7.01 of Form 8-K). These documents contain important information about Stanley Black & Decker, Inc. and its finances.

Annual Report on Form 10-K for the fiscal year ended January 1, 2011 (excluding Items 7, 8 and 15(a)(1) and (2) which are all superseded by information included in the Current Report on Form 8-K, filed on November 14, 2011);

The information specifically incorporated by reference into our Annual Report on Form 10-K for the fiscal year ended January 1, 2011 from our definitive proxy statement on Schedule 14A, filed with the SEC on March 11, 2011;

Quarterly Reports on Form 10-Q for the quarters ended April 2, 2011, July 2, 2011 and October 1, 2011;

Current Reports on Form 8-K filed March 12, 2010 (Item 9.01(a) only and as amended on May 28, 2010 on Form 8-K/A), February 16, 2011, March 16, 2011, April 21, 2011, July 22, 2011, July 25, 2011 and November 14, 2011;

The description of our common stock contained in our Registration Statement on Form 8-A/A, filed with the SEC on March 12, 2010, and any amendment or report filed for the purpose of updating such description; and

The description of the depositary preferred stock purchase rights associated with our common stock contained in our Registration Statement on Form 8-A/A, filed with the SEC on July 23, 2004, and any amendment or report filed for the purpose of updating such descriptions.

All documents filed by us pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and any accompanying prospectus supplement and before the termination of the offering shall also be deemed to be incorporated herein by reference. We are not, however, incorporating by reference any documents or portions thereof, whether specifically listed above or filed in the future, that are not deemed filed with the SEC, including our compensation committee report and performance graph or any information furnished pursuant to Items 2.02 or 7.01 of Form 8-K or certain exhibits furnished pursuant to Item 9.01 of Form 8-K.

**Table of Contents**

To obtain a copy of these filings at no cost, you may write or telephone us at the following address:

Stanley Black & Decker, Inc.

1000 Stanley Drive

New Britain, Connecticut 06053

Attention: Treasurer

(860) 225-5111

We will provide to each person, including any beneficial owner, to whom a prospectus is delivered, a copy of any or all of the information that has been incorporated by reference in the prospectus but not delivered with the prospectus. Exhibits to the filings will not be sent, however, unless those exhibits have specifically been incorporated by reference into such documents.

**Table of Contents**

**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus and any accompanying prospectus supplement and any documents incorporated by reference contain or incorporate statements that are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995.

Those statements include trend analyses and other information relative to markets for our products and trends in our operations or financial results as well as other statements that can be identified by the use of forward-looking language such as may, should, believes, expects, anticipates, plans, estimates, intends, projects, goals, objectives, or other similar expressions. Our actual results, performance or achievement could be materially different from the results expressed in, or implied by, those forward-looking statements. Those statements are subject to risks and uncertainties, including but not limited to the risks described in this prospectus, any accompanying prospectus supplement and any documents incorporated by reference. When considering those forward-looking statements, you should keep in mind the risks, uncertainties and other cautionary statements made in this prospectus, any accompanying prospectus supplement and the documents incorporated by reference.

A variety of factors could cause our actual results to differ materially from the expected results expressed in our forward-looking statements, including those factors set forth in this prospectus, any accompanying prospectus supplement or the documents incorporated by reference, including the Risk Factors, Business and Management's Discussion and Analysis of Financial Condition and Results of Operations sections of our reports and other documents filed with the SEC. Factors that may cause our actual results to differ materially from those we contemplate by the forward-looking statements include, among others, the following possibilities:

inability to maintain and improve the overall profitability of our operations;

inability to identify and effectively execute productivity improvements and cost reductions, while minimizing any associated restructuring charges;

inability to limit the impact of steel and other commodity and material price inflation through price increases and other measures;

inability to capitalize on future acquisition opportunities and fund other initiatives;

inability to invest in routine business needs;

inability to continue improvements in working capital;

the risk that the cost savings and other synergies anticipated to be realized from our combination with The Black & Decker Corporation (the merger) (as well as future acquisitions) may not be fully realized or may take longer to realize than expected;

disruption from the merger making it difficult to maintain relationships with customers, employees or suppliers;

failure to identify, complete and integrate acquisitions, or to integrate existing businesses, while limiting or otherwise managing associated costs or liabilities;

inability to limit restructuring and other payments associated with recent acquisitions;

## Edgar Filing: STANLEY BLACK & DECKER, INC. - Form 424B5

inability to minimize or otherwise manage costs or liabilities associated with any sale or discontinuance of a business or product line, including any asset impairment, severance, restructuring, legal or other costs or liabilities;

the extent to which we have to write off accounts receivable or assets or experience supply chain disruptions in connection with bankruptcy filings by our customers or suppliers;

inability to generate free cash flow and maintain a strong debt to capital ratio, including focusing on reduction of debt as determined by management;



**Table of Contents**

inability to successfully settle routine tax audits;

inability to generate earnings sufficient to realize future income tax benefits during periods when temporary differences become deductible;

continued acceptance of technologies used in our products and services;

failure of our efforts to build upon our growth platforms and market leadership in Convergent Security Solutions, Infrastructure and Healthcare;

inability to manage existing Sonitrol and Mac Tools franchisees and distributor relationships;

continued access to credit markets on favorable terms, and the maintenance by us of an investment grade credit rating;

inability to negotiate satisfactory payment terms for the purchase and sale of goods, material and products;

inability to sustain the success of our marketing and sales efforts, including our ability to recruit and retain an adequate sales force and to maintain our customer base;

inability of the sales force to adapt to any changes made in the sales organization and achieve adequate customer coverage;

inability to develop and introduce new and high quality products, grow sales in existing markets, identify and develop new markets for our products and maintain and build the strength of our brands;

loss of significant sales volume from our larger customers;

inability to maintain or improve current production rates in our manufacturing facilities, to respond to significant changes in product demand, or to fulfill demand for new and existing products;

inability to implement, manage and maintain our operating systems effectively;

inability to continue successfully managing and defending claims and litigation;

pricing pressure and other changes within competitive markets;

increasing competition;

continued consolidation of customers, particularly in consumer channels;

inventory management pressures on our customers;

changes in laws, regulations and policies that affect us, including, but not limited to trade, monetary, tax and fiscal policies and laws;

risks relating to environmental matters, including changes in the estimated costs to remediate historical contamination and resolve related litigation;

risks arising out of changes in environmental laws or other requirements (or their interpretation or enforcement), including such laws or other requirements that may affect the content or production of our products;

the final geographic distribution of future earnings and the effect of currency exchange fluctuations and impact of dollar/foreign currency exchange, taxes and interest rates on the competitiveness of products, our debt program and our cash flow;

the strength of the United States and European economies;

the impact the tightened credit markets may have on the Company or its customers or suppliers;

the extent to which world-wide markets associated with homebuilding and remodeling remain very weak or continue to deteriorate;

**Table of Contents**

the impact of events that cause or may cause disruption in our manufacturing, distribution and sales networks, such as war, terrorist activities, natural disasters, political unrest, and recessionary or expansive trends in world economies in which we operate, including, but not limited to, the extent and duration of the current recession in the United States economy; and

inability to mitigate cost increases (such as customer price increases) generated by, for example, continued increases in the cost of energy or significant Chinese Renminbi or other currency appreciation or revaluation.

There can be no assurance that other factors not currently anticipated by us will not materially and adversely affect our business, financial condition, and results of operations. You are cautioned not to place undue reliance on any forward-looking statements made by us or on our behalf. Please take into account that forward-looking statements speak only as of the date of this prospectus or, in the case of any accompanying prospectus supplement or documents incorporated by reference, the date of any such document. We do not undertake any obligation to publicly correct or update any forward-looking statement if we later become aware that it is not likely to be achieved. You are advised, however, to consult any further disclosures we make on related subjects in reports and other information filed with the SEC.

**Table of Contents**

**STANLEY BLACK & DECKER, INC.**

Stanley Black & Decker, Inc. was founded in 1843 by Frederick T. Stanley and incorporated in 1852. We are a diversified global provider of hand tools, power tools and accessories, industrial tools and automotive tools and equipment, mechanical access solutions, electronic security solutions and technology-based (engineered) fastening systems. Stanley®, Black & Decker® and DeWalt® along with the family of Stanley Black & Decker, Inc. brands are recognized around the world for quality, innovation and value and are among the world's most trusted brands.

Our principal executive office is located at 1000 Stanley Drive, New Britain, Connecticut 06053 and our telephone number is (860) 225-5111.

**ABOUT THE GUARANTORS**

The guarantors of the debt securities may include The Black & Decker Corporation, a Maryland corporation (Black & Decker). If so provided in a prospectus supplement, the guarantor will fully and unconditionally guarantee on a joint and several basis our obligations under the debt securities, subject to the terms described in such prospectus supplement.

**RISK FACTORS**

Investing in our securities involves risk. See the risk factors described in our Annual Report on Form 10-K (together with any material changes thereto contained in subsequent filed Quarterly Reports on Form 10-Q) and those contained in our other filings with the SEC for our most recent fiscal year, which are incorporated by reference in this prospectus and any accompanying prospectus supplement. Before making an investment decision, you should carefully consider these risks as well as other information we include or incorporate by reference in this prospectus. These risks could materially affect our business, results of operations or financial condition and cause the value of our securities to decline. You could lose all or part of your investment.

**USE OF PROCEEDS**

Except as otherwise set forth in the prospectus and any accompanying prospectus supplement, we expect to use the net proceeds from the sale of securities for general corporate purposes, including the financing of our operations, the possible repayment of indebtedness, and possible business acquisitions. Pending any specific application, we may initially invest funds in short-term marketable securities or apply them to the reduction of short-term indebtedness.

**RATIO OF EARNINGS TO FIXED CHARGES**

The ratio of earnings to fixed charges for each of the periods indicated is set forth below. For purposes of computing these ratios, earnings represents income from continuing operations, plus distributed income of equity investees, before income taxes and fixed charges. Fixed charges are the sum of (i) interest expensed and capitalized, (ii) amortized premiums, discounts and capitalized expenses related to indebtedness, and (iii) the portion of rents representative of interest.

|                                    | Nine Months Ended<br>October 1,<br>2011 | 2010 | For the Fiscal Year |      |      |      |
|------------------------------------|---|------|---------------------|------|------|------|
|                                    |   | 2009 | 2008                | 2007 | 2006 |      |
| Ratio of Earnings to Fixed Charges | 6.2X                                    | 2.9X | 5.0X                | 3.9X | 5.2X | 5.5X |

**Table of Contents**

**DESCRIPTION OF SECURITIES**

This prospectus contains summary descriptions of the debt securities, guarantees of debt securities, common stock, preferred stock, warrants, depositary shares, stock purchase contracts and stock purchase units that may be offered and sold from time to time. These summary descriptions are not meant to be complete descriptions of each security. However, at the time of an offering and sale, this prospectus together with the accompanying prospectus supplement will contain the material terms of the securities being offered.

## **Table of Contents**

### **DESCRIPTION OF DEBT SECURITIES**

As used in this prospectus, debt securities means the debentures, notes, bonds and other evidences of indebtedness that we may issue separately, upon exercise of a debt warrant, in connection with a stock purchase contract or as part of a stock purchase unit from time to time. The debt securities may either be senior debt securities or subordinated debt securities. Senior debt securities may be issued under a Senior Indenture and subordinated debt securities may be issued under a Subordinated Indenture. This prospectus sometimes refers to the Senior Indenture and the Subordinated Indenture collectively as the Indentures. The Indentures have been filed with the SEC. We may also issue debt securities under a separate, new indenture. If that occurs, we will describe any differences in the terms of any series or issue of debt securities in the prospectus supplement relating to that series or issue.

The following briefly summarizes the material provisions of the Indentures and the debt securities, other than pricing and related terms disclosed in an accompanying prospectus supplement or pricing supplement, as the case may be. You should read the more detailed provisions of the applicable Indenture, including the defined terms, for provisions that may be important to you. You should also read the particular terms of an offering of debt securities, which will be described in more detail in the applicable prospectus supplement or pricing supplement, as the case may be. Copies of the Indentures may be obtained from Stanley Black & Decker, Inc. or the applicable trustee.

As used in this Description of Debt Securities, the terms Stanley Black & Decker, Inc., we, our and us refer to Stanley Black & Decker, Inc., Connecticut corporation, and do not, unless otherwise specified, include our subsidiaries.

#### **General**

The debt securities will be our direct general unsecured obligations. The senior debt securities will rank equally with all of our other senior unsecured and unsubordinated debt. The subordinated debt securities will be subordinate and junior in right of payment to all of our present and future senior indebtedness to the extent and in the manner set forth in the Subordinated Indenture.

Since our operations are partially conducted through our subsidiaries, the cash flow and the consequent ability to service our indebtedness, including the debt securities, is partially dependent upon the earnings of our subsidiaries and the distribution of those earnings or upon the payments of funds by those subsidiaries to us. Our subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts due pursuant to the debt securities or to make funds available to us, whether by dividends, loans or other payments. In addition, the payment of dividends and the making of loans and advances to us by our subsidiaries may be subject to contractual or statutory restrictions, are contingent upon the earnings of those subsidiaries and are subject to various business considerations. Any right we may have to receive assets of any of our subsidiaries upon their liquidation or reorganization (and the consequent right of the holders of our debt securities to participate in those assets) will be structurally subordinated to the claims of such subsidiary's creditors, including trade creditors, because such creditors' claims will have a priority over our claim as an equity owner at our subsidiaries.

The Indentures do not limit the aggregate principal amount of debt securities that we may issue and provide that we may issue debt securities from time to time in one or more series, in each case with the same or various maturities, at par or at a discount. We may issue additional debt securities of a particular series without the consent of the holders of the debt securities of such series outstanding at the time of the issuance. Any such additional debt securities, together with all other outstanding debt securities of that series, will constitute a single series of debt securities under the applicable Indenture. The Indentures also do not limit our ability to incur other debt.

**Table of Contents**

Each prospectus supplement will summarize the material terms relating to the specific series of debt securities being offered. These terms may include some or all of the following:

the title of debt securities, whether they are subordinated debt securities or senior debt securities and whether any of our subsidiaries will provide a guarantee of our obligations under the debt securities;

any limit on the aggregate principal amount of the debt securities;

the price or prices at which we will sell the debt securities;

the maturity date or dates of the debt securities;

the rate or rates of interest, if any, which may be fixed or variable, at which the debt securities will bear interest, or the method of determining such rate or rates, if any;

the date or dates from which any interest will accrue or the method by which such date or dates will be determined;

the right, if any, to extend the interest payment periods and the duration of any such deferral period, including the maximum consecutive periods during which interest payment periods may be extended;

whether the amount of payments of principal of (and premium, if any) or interest on the debt securities may be determined with reference to any index, formula or other method, such as one or more currencies, commodities, equity indices or other indices, and the manner of determining the amount of such payments;

the dates on which we will pay interest on the debt securities and the regular record date for determining who is entitled to the interest payable on any interest payment date;

the place or places where the principal of (and premium, if any) and interest on the debt securities will be payable;

if we possess the option to do so, the periods within which and the prices at which we may redeem the debt securities, in whole or in part, pursuant to optional redemption provisions, and the other terms and conditions of any such provisions;

our obligation, if any, to redeem, repay or purchase debt securities by making periodic payments to a sinking fund or through an analogous provision or at the option of holders of the debt securities, and the period or periods within which and the price or prices at which we will redeem, repay or purchase the debt securities, in whole or in part, pursuant to such obligation, and the other terms and conditions of such obligation;

the denominations in which the debt securities will be issued, if other than denominations of \$1,000 and integral multiples of \$1,000;

the portion, or methods of determining the portion, of the principal amount of the debt securities which we must pay upon the acceleration of the maturity of the debt securities in connection with an Event of Default (as described below), if other than the full principal amount;

the currency, currencies or currency unit in which we will pay the principal of (and premium, if any) or interest, if any, on the debt securities, if not United States dollars;

provisions, if any, granting special rights to holders of the debt securities upon the occurrence of specified events;

any deletions from, modifications of or additions to the Events of Default or our covenants with respect to the applicable series of debt securities, and whether or not such Events of Default or covenants are consistent with those contained in the applicable Indenture;

the application, if any, of the terms of the Indenture relating to defeasance and covenant defeasance (which terms are described below) to the debt securities;



## **Table of Contents**

whether the subordination provisions summarized below or different subordination provisions will apply to the debt securities;

the terms, if any, upon which the holders may convert or exchange the debt securities into or for our common stock, preferred stock or other securities or property;

whether any of the debt securities will be issued in global form in the name of depository and, if so, the terms and conditions upon which global debt securities will cease to be issued in the name of a depository and exchanged for debt securities of smaller denominations issued in the name of investors and/or their direct or indirect nominees;

any change in the right of the trustee or the requisite holders of debt securities to declare the principal amount thereof due and payable because of an Event of Default;

the depository for global debt securities;

any special tax implications of the debt securities;

any trustees, authenticating or paying agents, transfer agents or registrars or other agents with respect to the debt securities; and

any other terms of the debt securities.

Unless otherwise specified in the applicable prospectus supplement, the debt securities will not be listed on any securities exchange and will be issued in fully-registered form without coupons.

Debt securities may be sold at a discount below their stated principal amount, bearing no interest or interest at a rate which at the time of issuance is below market rates. The applicable prospectus supplement will describe the material federal income tax consequences and special considerations applicable to any such debt securities. The debt securities may also be issued as indexed securities or securities denominated in foreign currencies, currency units or composite currencies, as described in more detail in the prospectus supplement relating to any of the particular debt securities.

## **Subordination**

The prospectus supplement relating to any offering of subordinated debt securities will describe the specific subordination provisions, including the extent of subordination of payments by us of the principal of, premium, if any, and interest on such subordinated debt securities.

The Subordinated Indenture does not limit the issuance of additional Senior Indebtedness.

## **Certain Covenants**

Except as set forth below or in any indenture supplemental to the Indentures or in a board resolution of ours establishing a series of securities under the Indentures, the Indentures will not:

limit the amount of indebtedness or lease obligations that may be incurred by us and our subsidiaries; or

## Edgar Filing: STANLEY BLACK & DECKER, INC. - Form 424B5

contain provisions which would give holders of the notes the right to require us to repurchase their notes in the event of a decline in the credit rating of our debt securities resulting from a change in control, recapitalization or similar restructuring or in the case of any other event.

### **Limitation on Liens**

The Senior Indenture provides that if we or any Restricted Subsidiary (as defined below) shall issue, assume or guarantee any evidence of indebtedness for money borrowed ( Indebtedness ) secured by a mortgage, security

---

## **Table of Contents**

interest, pledge or lien ( Mortgage ) on any Principal Property (as described below), or shares of stock or Indebtedness of any Restricted Subsidiary, we will secure or cause such Restricted Subsidiary to secure any debt securities issued under the Senior Indenture (the Senior Securities ) equally and ratably with such secured Indebtedness (for so long as such secured Indebtedness remains to be so secured), unless the aggregate amount of all such secured Indebtedness, together with all Attributable Debt (as defined below) outstanding pursuant to the first paragraph of the Limitation on Sale and Lease-back Transactions covenant described below, would not exceed 10% of Consolidated Net Worth (defined below). The Subordinated Indenture does not contain a similar limitation on liens.

Such limitation will not apply to Indebtedness secured by (a) Mortgages on property of any corporation existing at the time such corporation becomes a Restricted Subsidiary, (b) Mortgages on any property existing at the date of the indenture or at the time of acquisition by us or a Restricted Subsidiary (including acquisition through merger or consolidation), (c) Mortgages securing Indebtedness of a Restricted Subsidiary to us or to another Restricted Subsidiary, (d) purchase money and construction Mortgages entered into within specified time limits, (e) mechanics liens, tax liens, liens in favor of any governmental body to secure progress, advance or other payments or the acquisition of real or personal property from any governmental body pursuant to contract or provision of statute, any other liens, charges and encumbrances incidental to construction, conduct of business or ownership of property of ours or any Restricted Subsidiary which were not incurred in connection with borrowing money, obtaining advances or credits or the acquisition of property and in the aggregate do not materially impair use of any Principal Property or which are being contested in good faith, or (f) any extension, renewal or replacement of any of the aforementioned Mortgages not in excess of the principal amount of such Indebtedness plus the fee incurred in connection with such transaction.

### **Limitation on Sale and Lease-back Transactions**

The Senior Indenture provides that neither we nor any Restricted Subsidiary may enter into any sale and lease-back transaction involving any Principal Property unless the aggregate amount of all Attributable Debt with respect to such transactions, together with all Indebtedness outstanding pursuant to the first paragraph of the Limitation on Liens covenant described above, would not exceed 10% of Consolidated Net Worth.

Such limitation will not apply to any sale and lease-back transaction if (a) the lease is for a period of not more than three years, (b) the purchaser's commitment is obtained within a specified period after the acquisition, construction or placing in service of the Principal Property, (c) the rent payable pursuant to such lease is to be reimbursed under a contract with the United States Government or instrumentality or agency thereof, (d) the transaction is between us and a Restricted Subsidiary or between Restricted Subsidiaries, (e) we or such Restricted Subsidiary would be entitled as described in Limitation on Liens, above, to mortgage such Principal Property without equally and ratably securing the Senior Securities, or (f) we or such Restricted Subsidiary, within 180 days after the effective date of the transaction, apply to the retirement of Senior Securities or other Indebtedness of ours or a Restricted Subsidiary an amount equal to (A) either (i) the lesser of the net proceeds of the sale or transfer or the book value at the date of such sale or transfer of the Principal Property leased, if the transaction is for cash, or (ii) the fair market value of the Principal Property leased, if the transaction is for other than cash, minus (B) the amount equal to the principal amount of Senior Securities delivered to the trustee within such 180 days for cancellation and the principal amount of Indebtedness voluntarily retired (including any premium or fee paid in connection therewith) within such 180 days.

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

We may consolidate or merge with or into any other corporation, and we may sell or transfer all or substantially all of our assets to another corporation, provided, among other things, that (a) if we are not the surviving corporation, the corporation formed by or resulting from any such consolidation or merger or the transferee of such assets shall be a corporation organized and existing under the laws of the United States, any state thereof or the District of Columbia and shall expressly assume by supplemental indenture payment of the principal of and premium, if any, and interest, if any, on the debt securities issued under either the Senior

---

## **Table of Contents**

Indenture or the Subordinated Indenture and the performance and observance of the Indenture and (b) we or such successor corporation shall not immediately thereafter be in default under the Indenture.

### **Definition of Certain Terms**

**Restricted Subsidiary** means a Subsidiary (as defined below) (i) substantially all the property of which is located, or substantially all the business of which is carried on, within the United States, and (ii) which owns a Principal Property; provided, however, that the term shall not include any Subsidiary which is solely or primarily engaged in the business of providing or obtaining financing for the sale or lease of products sold or leased by us or any Subsidiary or which is primarily engaged in the business of a finance company either on a secured or an unsecured basis.

**Principal Property** means all real property and tangible personal property constituting a manufacturing plant located within the United States owned by us or a Restricted Subsidiary, exclusive of (i) motor vehicles, mobile materials-handling equipment and other rolling stock, (ii) office furnishings and equipment, information and electronic data processing equipment, (iii) any property financed through obligations issued by a state or possession of the United States, or any political subdivision or instrumentality of the foregoing, on which the interest is not, in the opinion of tax counsel of recognized standing or in accordance with a ruling issued by the Internal Revenue Service, includable in gross income of the holder by reason of Section 103(a) of the Internal Revenue Code (or any successor to such provision) as in effect at the time of the issuance of such obligations, (iv) any real property held for development or sale, or (v) any property the gross book value of which (including related land and improvements thereon and all machinery and equipment included therein without deduction of any depreciation reserves) is less than 10% of Consolidated Net Worth or which our board of directors determines is not material to the operation of our business and our Subsidiaries taken as a whole.

**Consolidated Net Worth** means the excess over current liabilities of all assets properly appearing on our consolidated balance sheet after deducting the minority interests of others in Subsidiaries.

A **Subsidiary** is defined to mean any corporation of which at least a majority of all outstanding stock having ordinary voting power in the election of directors of such corporation is at the time, directly or indirectly, owned by us or by one or more Subsidiaries of ours or by us and one or more Subsidiaries.

**Attributable Debt** in respect of any Sale and Lease-Back Transaction means, as of the time of the determination, the lesser of (i) the sale price of the Principal Property so leased multiplied by a fraction the numerator of which is the remaining portion of the base term of the lease included in such transaction and the denominator of which is the base term of such lease, and (ii) the total obligation (discounted to present value at the implicit interest factor, determined in accordance with generally accepted financial practice, included in the rental payments or, if such interest factor cannot readily be determined, at a rate of interest of 10% per annum, compounded semi-annually) of the lessee for rental payments (other than amounts required to be paid on account of property taxes as well as maintenance, repairs, insurance, water rates and other items which do not constitute payments for property rights) during the remaining portion of the base term of lease included in such transaction.

### **Events of Default**

The following events are defined in the Indentures as **Events of Default** :

default in the payment of any installment of interest on any debt securities in such series for 30 days after becoming due;

default in the payment of principal or premium, if any, of any debt securities in such series when due;

default in the performance of any other covenant for 90 days after notice;

involuntary acceleration of the maturity of our indebtedness in excess of \$10 million for money borrowed which acceleration shall not be rescinded or annulled or otherwise cured, or which indebtedness shall not be discharged, within 10 days after notice;



**Table of Contents**

entry of certain court orders which would require us to make payments exceeding \$25 million and where 60 days have passed since the entry of the order without it having been satisfied or stayed;

certain events of bankruptcy, insolvency or reorganization; and

any other Event of Default that may be set forth in the supplemental indenture or board resolution with respect to a particular series of debt securities.

If an Event of Default shall occur and be continuing with respect to a series of debt securities, either the trustee or the holders of at least 25% in principal amount of the outstanding debt securities (or such lesser amount as may be provided for in the debt securities of such series) of such series may declare the entire principal amount of all the debt securities of such series to be due and payable.

The Indentures provide that the trustee shall, within 90 days after the occurrence of default with respect to a particular series of debt securities, give the holders of the debt securities of such series notice of such default known to it (the term default to mean the events specified above without grace periods); provided that, except in the case of default in the payment of principal or premium, if any, or interest, if any, on any of the debt securities of such series, the trustee shall be protected in withholding such notice if it in good faith determines the withholding of such notice is in the interest of the holders of the debt securities of such series.

We are required to furnish the trustee annually a statement by certain of our officers to the effect that to the best of their knowledge we are not in default in the fulfillment of any of our obligations under the Indentures or, if there has been a default in the fulfillment of any such obligation, specifying each such default. No holder of any debt securities of any particular series shall have any right to institute any judicial or other proceeding with respect to the Indentures, or for the appointment of a receiver or trustee, or for any other remedy unless:

an Event of Default shall have occurred and be continuing and such holder shall have given the trustee prior written notice of such continuing Event of Default;

the holders of not less than 25% of the outstanding principal amount of debt securities of a particular series shall have requested the trustee for such series to institute proceedings in respect of such Event of Default;

under the Senior Indenture, the trustee shall have been offered indemnity reasonably satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request;

under the Subordinated Indenture, the trustee shall have been offered such reasonable indemnity as it may require against its costs, expenses and liabilities in complying with such request;

the trustee shall have failed to institute proceedings 60 days after the receipt of such notice, request and offer of indemnity; and

no direction inconsistent with such written request shall have been given for 60 days by the holders of a majority in principal amount of the outstanding debt securities of such series.

The holders of a majority in principal amount of a particular series of debt securities outstanding will have the right, subject to certain limitations, to direct the time, method and place of conducting any proceeding for any remedy available to the trustee with respect to such series or exercising any trust or power conferred to the trustee, and to waive certain defaults. The Indentures provide that in case an Event of Default shall occur and be continuing, the trustee shall exercise such of its rights and powers under the Indentures, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. Subject to such provisions, the trustee will be under no obligation to exercise any of its rights or powers under the Indentures at the request of any of the holders of debt securities of a particular series unless they shall have offered to the trustee security or indemnity reasonably satisfactory to the trustee

against the costs, expenses and liabilities which might be incurred by it in compliance with such request.

**Table of Contents**

**Discharge, Defeasance and Covenant Defeasance**

If indicated in the applicable prospectus supplement, we may discharge or defease our obligations under each Indenture as set forth below.

We may discharge certain obligations to holders of any series of debt securities issued under either the Senior Indenture or the Subordinated Indenture which have not already been delivered to the trustee for cancellation and which have either become due and payable or are by their terms due and payable within one year (or scheduled for redemption within one year) by irrevocably depositing with the trustee funds or government obligations denominated in U.S. dollars or in the foreign currency in which debt securities of such series are payable in an amount sufficient, in the opinion of an independent firm of certified public accountants, to pay the entire indebtedness on debt securities of such series with respect to principal (and premium and additional amounts, if any) and interest to the date of such deposit (if debt securities of such series have become due and payable) or to the maturity thereof or the date of redemption of debt securities of such series, as the case may be.

If indicated in the applicable prospectus supplement, we may elect either (i) to defease and be discharged from any and all obligations with respect to the debt securities of or within any series (except for, among other things, the obligation to pay additional amounts, if any, upon the occurrence of certain events of taxation, assessment or governmental charge with respect to payments on debt securities of such series and other obligations to register the transfer or exchange of debt securities of such series, to replace temporary or mutilated, destroyed, lost or stolen debt securities, to maintain an office or agency with respect to the debt securities and to hold moneys for payment in trust) ( defeasance ) or (ii) to be released from our obligations with respect to certain covenants applicable to the debt securities of or within any series of debt securities and any omission to comply with such obligations shall not constitute an Event of Default with respect to such series of debt securities ( covenant defeasance&#1