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424B2 1 d423661d424b2.htm FINAL PROSPECTUS SUPPLEMENT

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**CALCULATION OF REGISTRATION FEE**

| <b>Title of Each Class of<br/>Securities to be Registered</b> | <b>Amount to be<br/>Registered</b> | <b>Maximum Offering<br/>Price Per Unit</b> | <b>Maximum Aggregate<br/>Offering Price</b> |
|---|------------------------------------|--|---|
| 0.875% Notes due 2017   | \$600,000,000                      | 99.423%                                    | \$596,538,000                               |
| 2.125% Notes due 2022   | \$750,000,000                      | 99.427%                                    | \$745,702,500                               |
| 3.500% Notes due 2042   | \$900,000,000                      | 98.862%                                    | \$889,758,000                               |

- (1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended. The total registration fee due for this offering is \$304,445.
- (2) Paid herewith.

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Filed Pursua  
Registration

Prospectus Supplement  
(To Prospectus dated November 2, 2012)



**\$2,250,000,000**

## Microsoft Corporation

\$600,000,000 0.875% Notes due 2017

\$750,000,000 2.125% Notes due 2022

\$900,000,000 3.500% Notes due 2042

We are offering \$600,000,000 aggregate principal amount of 0.875% notes due 2017, \$750,000,000 aggregate principal amount of 2.125% notes due 2022, and \$900,000,000 aggregate principal amount of 3.500% notes due 2042. The 2017 notes will mature on November 15, 2017, the 2022 notes will mature on November 15, 2022, and the 2042 notes will mature on November 15, 2042. Interest on the notes will accrue from November 7, 2012 and be payable on May 15 and November 15, commencing on May 15, 2013.

We will have the right at our option to redeem the notes of any series, in whole or in part, at any time or from time to time, at the price set forth in the prospectus supplement under “Description of the Notes—Optional Redemption.”

The notes will be our senior unsecured obligations and will rank equally with our other unsecured and unsubordinated debt from time to time.

See “[Risk Factors](#)” on page S-5 for a discussion of certain risks that should be considered in connection with an investment in the notes.

|               | <b>Price to<br/>Public(1)</b> | <b>Un-<br/>derwritten</b> |
|---------------|-------------------------------|---------------------------|
| Per 2017 note | 99.423%                       |                           |
| Total         | \$596,538,000                 | \$                        |
| Per 2022 note | 99.427%                       |                           |
| Total         | \$745,702,500                 | \$                        |
| Per 2042 note | 98.862%                       |                           |
| Total         | \$889,758,000                 | \$                        |

(1) Plus accrued interest, if any, from November 7, 2012.

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

The notes will not be listed on any securities exchange. Currently, there is no public trading market for the notes.

We expect to deliver the notes to investors through the book-entry delivery system of The Depository Trust Company and its direct or indirect wholly owned subsidiary, Bank SA/NV and Clearstream Banking, *société anonyme*, on or about November 7, 2012.

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*Joint Book-Running Managers*

**Barclays**

**J.P. Morgan**

**U**

*Senior Co-Managers*

**HSBC**

*Co-Managers*

**Lebenthal Capital Markets**

**Ramirez & Co., Inc.**

**The**

The date of this prospectus supplement is November 2, 2012

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**Prospectus**

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**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is in two parts. The first part is this prospectus supplement, which describes the terms of the offering of the notes prospectus dated November 2, 2012, which we refer to as the “accompanying prospectus.” The accompanying prospectus contains a description of the notes and more general information, some of which may not apply to the notes. The accompanying prospectus also incorporates by reference documents “Incorporation by Reference” in that prospectus.

You should rely only on the information contained or incorporated by reference in this prospectus supplement, in the accompanying prospectus filed by us with the Securities and Exchange Commission. If information in this prospectus supplement is inconsistent with the accompanying prospectus, you should rely on this prospectus supplement. We have not, and the underwriters have not, authorized any other person to provide you with different information. If you receive different or inconsistent information, you should not rely on it. You should not assume that the information contained or incorporated by reference in this prospectus supplement or in any such free writing prospectus is accurate as of any date other than the respective dates thereof. Our business operations and prospects may have changed since those dates.

We are not, and the underwriters are not, making an offer of the notes in any jurisdiction where the offer or sale is not permitted.

References in this prospectus supplement to “Microsoft,” “we,” “us” and “our” and all similar references are to Microsoft Corporation and its subsidiaries, unless otherwise stated or the context otherwise requires. However, in the “Description of the Notes” and related summary section of the prospectus, and in the “Description of the Debt Securities” section of the accompanying prospectus, references to “we,” “us” and “our” are to Microsoft Corporation and any of its subsidiaries.

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The SEC allows us to incorporate by reference information into this prospectus supplement and the accompanying prospectus. To provide you with important information to you by referring you to another document. Any information referred to in this way is considered part of this prospectus from the date we file that document. Any reports filed by us with the SEC after the date of this prospectus supplement and before the offering of securities by means of this prospectus supplement and the accompanying prospectus is terminated will automatically update and, where applicable, be contained or incorporated by reference in this prospectus supplement and the accompanying prospectus.

We incorporate by reference in this prospectus supplement and the accompanying prospectus the documents set forth below that we have filed with the SEC; provided, however, that we are not incorporating any documents or information deemed to have been furnished rather than filed in accordance with the SEC.

- our Annual Report on Form 10-K for the fiscal year ended June 30, 2012;
- our Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2012;
- our Current Reports on Form 8-K filed on July 2, 2012, September 18, 2012, October 9, 2012 and November 2, 2012; and
- any filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, after the date of this prospectus and before the termination of this offering.

To obtain copies of these filings, see “Where You Can Find More Information” of the accompanying prospectus.

[Table of Contents](#)**SUMMARY**

*The following summary highlights information contained or incorporated by reference in this prospectus supplement and may not contain all of the information that you should consider before investing in the notes. You should carefully read this entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference that are described in the accompanying prospectus under “What’s New in This Prospectus Supplement.”*

**Microsoft Corporation**

Microsoft was founded in 1975. Our mission is to enable people and businesses throughout the world to realize their full potential. We transform the way people work, play, and communicate. We develop and market software, services and hardware that deliver new opportunities and enhanced value to people’s lives. We do business worldwide and have offices in more than 100 countries.

We generate revenue by developing, licensing, and supporting a wide range of software products and services, by designing and delivering relevant online advertising to a global customer audience. In addition to selling individual products and services, we offer solutions.

Our products include operating systems for personal computers, servers, phones, and other intelligent devices; server applications; productivity applications; business solution applications; desktop and server management tools; software development tools; and advertising. We also design and sell hardware including the Xbox 360 gaming and entertainment console, Kinect for Xbox 360, Xbox 360 hardware products.

We provide consulting and product and solution support services, and we train and certify computer system integrators and developers. We provide cloud-based solutions that provide customers with software, services and content over the Internet by way of shared computing resources. Cloud revenue is earned primarily from usage fees and advertising.

Examples of cloud-based computing services we offer include:

- Microsoft Office 365, an online suite that enables people to work from virtually anywhere at any time with simple, familiar communication solutions, including Microsoft Office, Exchange, SharePoint, and Lync;
- Xbox LIVE service, which enables online gaming, social networking, and access to a wide range of video, gaming, and entertainment content;
- Microsoft Dynamics CRM Online customer relationship management services for sales, service, and marketing professionals, including a Microsoft Outlook interface;
- Bing, our Internet search engine that finds and organizes the answers people need so they can make faster, more informed decisions;
- Skype, which allows users to connect with friends, family, clients, and colleagues through a variety of devices; and
- the Azure family of platform and database services that helps developers connect applications and services in the cloud. Azure includes Windows Azure, a scalable operating system with computing, storage, hosting, and management capabilities, and SQL Azure, a relational database.

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We also conduct research and develop advanced technologies for future software and hardware products and services. We be and meet our customers' needs by delivering compelling, new, high-value solutions through our integrated software, hardware, and service opportunities for partners, improving customer satisfaction, and improving our service excellence, business efficacy, and internal process

[Table of Contents](#)**The Offering**

*The following is a brief summary of the terms and conditions of this offering. It does not contain all of the information that you should consider in making your investment decision. To understand all of the terms and conditions of the offering of the notes, you should carefully read this prospectus supplement, the accompanying prospectus and the documents incorporated by reference that are described in the accompanying prospectus under “Where You Can Find More Information.”*

|                               |  |
|-------------------------------|--|
| <b>Issuer</b>                 | Microsoft Corporation.   |
| <b>Securities offered</b>     | \$600,000,000 aggregate principal amount of 0.875% notes due 2017;<br>\$750,000,000 aggregate principal amount of 2.125% notes due 2022; and<br>\$900,000,000 aggregate principal amount of 3.500% notes due 2042.   |
| <b>Original issue date</b>    | November 7, 2012.  |
| <b>Maturity date</b>          | November 15, 2017 for the 2017 notes;<br>November 15, 2022 for the 2022 notes; and<br>November 15, 2042 for the 2042 notes.  |
| <b>Interest rate</b>          | 0.875% per annum for the 2017 notes;<br>2.125% per annum for the 2022 notes; and<br>3.500% per annum for the 2042 notes.   |
| <b>Interest payment dates</b> | Interest on the notes will be paid semi-annually on May 15 and November 15 of each year, beginning on May 15, 2013, and on the maturity date for each series of notes.   |
| <b>Optional redemption</b>    | We will have the right at our option to redeem the notes of any series, in whole or in part, from time to time, at the redemption prices described under “Description of the Notes—Optional Redemption” in this prospectus supplement.   |
| <b>Ranking</b>                | The notes will be our senior unsecured obligations and will rank equally with our other senior unsecured debt from time to time outstanding.   |
| <b>Further issuances</b>      | We may from time to time issue further notes ranking equally and ratably with the notes being offered under the same terms as to status, redemption or otherwise.  |
| <b>Form and denomination</b>  | The notes will be issued in the form of one or more fully registered global securities, each with denominations of \$2,000 in principal amount and integral multiples of \$1,000 in excess of \$2,000. The notes will be deposited with the trustee as custodian for, and registered in the name of, a nominee of the Company, or DTC. Except in the limited circumstances described under “Description of the Notes—Optional Redemption; Entry; Delivery and Form; Global Securities” in the accompanying prospectus, notes will not be issued or exchanged for interests in global securities. |



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|                |   |
|----------------|---|
| <b>Trading</b> | The notes are a new issue of securities with no established trading market. We do not have any notes on any securities exchange. The underwriters have advised us that they currently are not trading any series of the notes, but they are not obligated to do so and may, in their sole discretion, begin trading at any time without notice. See “Underwriting” in this prospectus supplement for more information regarding the making by the underwriters. |
| <b>Trustee</b> | The Bank of New York Mellon Trust Company, N.A.   |

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## **RISK FACTORS**

Investing in the notes involves risks. Before making a decision to invest in the notes, you should carefully consider the risks described in our Annual Report on Form 10-K for the fiscal year ended June 30, 2012 and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2012, each of which is incorporated by reference in the accompanying prospectus, as well as the risks set forth below. See “Where You Can Find More Information” in the prospectus.

**The indenture governing the notes does not contain financial covenants or meaningful restrictions on us or our subsidiaries.**

Neither we nor any of our subsidiaries are restricted from incurring additional debt or other liabilities, including debt secured by assets. We may from time to time incur additional debt and other liabilities. In addition, we are not restricted from paying dividends or making distributions to our common stockholders or redeeming our capital stock under the indenture.

**Active trading markets for the notes may not develop.**

The notes are new issues of securities with no established trading markets. We do not intend to apply for listing of the notes on a national securities exchange to assure you trading markets for the notes will develop or of the ability of holders of the notes to sell their notes or of the prices at which holders can sell their notes. Underwriters have advised us that they currently intend to make a market in each series of the notes. However, the underwriters are not obligated to do so, and their market-making activity with respect to the notes may be discontinued, in their sole discretion, at any time without notice. If no active trading markets develop, you may not be able to sell your notes at the price or at their fair market value.

**If trading markets do develop, changes in our ratings or the financial markets could adversely affect the market prices of the notes.**

The market prices of the notes will depend on many factors, including, among others, the following:

- ratings on our debt securities assigned by rating agencies;
- the prevailing interest rates being paid by other companies similar to us;
- our results of operations, financial condition and prospects; and
- the condition of the financial markets.

The condition of the financial markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future, which may have an adverse effect on the market prices of the notes.

Rating agencies continually review the ratings they have assigned to companies and debt securities. Negative changes in the ratings of our debt securities could have an adverse effect on the market prices of the notes.

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The net proceeds from the sale of the notes will be used for general corporate purposes, which may include, among other things, expenditures, repurchases of our capital stock, acquisitions and repayment of our existing debt.

**CAPITALIZATION**

The following sets forth our capitalization on a consolidated basis as of September 30, 2012. We have presented our capitalization on an adjusted basis to reflect the issuance and sale of the notes offered hereby, but not the application of the net proceeds from the issuance and sale of the notes. You should read the following table along with our financial statements and the accompanying notes to those statements, together with the information contained in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2012, which is incorporated by reference in the accompanying prospectus. See “Where You Can Find More Information” in the accompanying prospectus.

**Long-term debt (including current portion):**

|   |    |
|---|----|
| Zero Coupon Convertible Senior Notes due 2013 | \$ |
|---|----|

|                       |  |
|-----------------------|--|
| 0.875% Notes due 2013 |  |
|-----------------------|--|

|                       |  |
|-----------------------|--|
| 2.950% Notes due 2014 |  |
|-----------------------|--|

|                       |  |
|-----------------------|--|
| 1.625% Notes due 2015 |  |
|-----------------------|--|

|                       |  |
|-----------------------|--|
| 2.500% Notes due 2016 |  |
|-----------------------|--|

|                       |  |
|-----------------------|--|
| 4.200% Notes due 2019 |  |
|-----------------------|--|

|                       |  |
|-----------------------|--|
| 3.000% Notes due 2020 |  |
|-----------------------|--|

|                       |  |
|-----------------------|--|
| 4.000% Notes due 2021 |  |
|-----------------------|--|

|                       |  |
|-----------------------|--|
| 5.200% Notes due 2039 |  |
|-----------------------|--|

|                       |  |
|-----------------------|--|
| 4.500% Notes due 2040 |  |
|-----------------------|--|

|                       |  |
|-----------------------|--|
| 5.300% Notes due 2041 |  |
|-----------------------|--|

|                                      |  |
|--------------------------------------|--|
| 0.875% Notes due 2017 offered hereby |  |
|--------------------------------------|--|

|                                      |  |
|--------------------------------------|--|
| 2.125% Notes due 2022 offered hereby |  |
|--------------------------------------|--|

|                                      |  |
|--------------------------------------|--|
| 3.500% Notes due 2042 offered hereby |  |
|--------------------------------------|--|

|                           |  |
|---------------------------|--|
| Unamortized debt discount |  |
|---------------------------|--|

|            |  |
|------------|--|
| Total debt |  |
|------------|--|

|                            |  |
|----------------------------|--|
| Total stockholders' equity |  |
|----------------------------|--|

|                      |    |
|----------------------|----|
| Total capitalization | \$ |
|----------------------|----|

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## DESCRIPTION OF THE NOTES

*The following description of the particular terms and conditions of the notes supplements the description of the general terms of the securities set forth under “Description of the Debt Securities” in the accompanying prospectus. Capitalized terms used but not defined in this prospectus supplement have the meanings assigned in the accompanying prospectus or the indenture referred to below.*

### General

The notes will be issued in three series of debt securities under the indenture, dated as of May 18, 2009, between us and The Bank of America, N.A., as trustee, as supplemented by a supplemental indenture to be dated as of November 7, 2012, between us and the trustee. The following description of the specific terms and conditions of the notes supplements, and to the extent inconsistent, supersedes the description of the general terms and conditions of the debt securities set forth in the accompanying prospectus.

The 2017 notes initially will be limited to \$600,000,000 aggregate principal amount. The 2022 notes initially will be limited to \$600,000,000 aggregate principal amount. The 2042 notes initially will be limited to \$900,000,000 aggregate principal amount. We may issue additional notes of each series with the same terms as the existing notes of the same series, but we will not issue such additional notes unless they are fungible for U.S. federal income tax purposes with the relevant series of notes.

The notes will be our senior unsecured obligations and will rank equally with our other unsecured and unsubordinated debt from time to time.

The maturity date of the 2017 notes will be November 15, 2017. The maturity date of the 2022 notes will be November 15, 2022. The maturity date of the 2042 notes will be November 15, 2042.

The notes will be subject to legal defeasance and covenant defeasance as provided under “Description of the Debt Securities—Legal and Covenant Defeasance” in the accompanying prospectus.

The notes will be issued in a form of one or more fully registered global securities, without coupons, in denominations of \$2,000 and in multiples of \$1,000 in excess thereof.

The notes will not be redeemable prior to maturity and will not benefit from any sinking fund.

### Interest and Principal

The notes will bear interest from November 7, 2012 at the annual fixed rates set forth on the cover of this prospectus supplement. We will pay interest semi-annually on May 15 and November 15 of each year, beginning on May 15, 2013, and on the maturity date for each series of notes (each a “payment date”). We will pay interest on the notes to the persons in whose names the notes are registered at the close of business on May 1 and November 1 (in each case, the business day immediately preceding the related interest payment date). Interest on the notes will be computed on the basis of a 360-day year composed of 12 months of 30 days each.

We will pay the principal of and interest on each note to the registered holder in U.S. dollars in immediately available funds. Payment of the principal of and interest on the notes at the office or agency we maintain for this purpose in the Borough of Manhattan, The City of New York, currently at the trustee’s office, 8W, New York, New York 10286, Attention: Corporate Trust Administration; *provided, however*, that payment of interest may be made at the option of the registered holder to any other office or agency designated by us in writing.

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on the record date at such address as shall appear in the security register or by wire transfer of immediately available funds to an account sponsored by the trustee prior to the relevant record date. Notwithstanding anything to the contrary in this prospectus supplement or the accompanying book-entry form, we will make payments of principal and interest through the trustee to DTC.

Interest payable on any interest payment date for a series of notes or the maturity date for that series of notes will be the amount of interest payable on the next preceding interest payment date for that series of notes in respect of which interest has been paid or duly provided for (or from and to the extent interest has been paid or duly provided for with respect to the notes of that series) to, but excluding, such interest payment date or maturity date. If an interest payment date falls on a day that is not a business day, the interest payment will be made on the next succeeding business day, and we will not be liable for a result of the delay in payment. If a maturity date falls on a day that is not a business day, the related payment of principal and interest will be made on the next succeeding business day, and no interest will accrue on the amounts so payable for the period from and after such date to the next succeeding business day, other than a Saturday or a Sunday, that is not a day on which banking institutions are authorized or obligated by law or executive order to be open.

### **Optional Redemption**

We will have the right at our option to redeem the notes of any series, in whole or in part, at any time or from time to time, on at least 30 days' notice, at a redemption price equal to the greater of (1) 100% of the principal amount of the notes to be redeemed and (2) the sum of the scheduled payment of principal and interest on the notes to be redeemed (exclusive of interest accrued to the date of redemption) discounted on a basis (assuming a 360-day year consisting of twelve 30 day months) at the applicable Treasury Rate plus 5 basis points (in the case of the 2022 notes) or 12.5 basis points (in the case of the 2042 notes).

The redemption price for the notes will include, in each case, accrued and unpaid interest on the principal amount of the notes to the date of redemption.

"Comparable Treasury Issue" means the United States Treasury security or securities selected by an Independent Investment Banker having a maturity comparable to the remaining term of the series of notes to be redeemed that would be utilized, at the time of selection and in accordance with prevailing market conditions, in pricing new issues of corporate debt securities of a comparable maturity to the remaining term of the notes of such series.

"Comparable Treasury Price" means, with respect to any redemption date (1) the arithmetic average of the Reference Treasury Dealer Quotations for the date, after excluding the highest and lowest such Reference Treasury Dealer Quotations or (2) if we obtain fewer than four such Reference Treasury Dealer Quotations, the arithmetic average of all such quotations for such redemption date.

"Independent Investment Banker" means one of the Reference Treasury Dealers appointed by us.

"Reference Treasury Dealer" means Barclays Capital Inc., J.P. Morgan Securities LLC and UBS Securities LLC, or their respective U.S. government securities dealers in the United States of America and their respective successors plus one other primary U.S. government securities dealer in the United States of America designated by us; *provided, however*, that if any of the foregoing ceases to be a primary U.S. government securities dealer in the United States of America ("Reference Treasury Dealer"), we will substitute therefor another Primary Treasury Dealer.



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“Reference Treasury Dealer Quotation” means, with respect to each Reference Treasury Dealer and any redemption date, the arithmetic average of the bid and asked prices for the applicable Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted by the 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 (computed on a bond equivalent basis) of the applicable Comparable Treasury Issue, assuming a price for such Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the applicable Comparable Treasury Price for such redemption date.

On and after a redemption date, interest will cease to accrue on the notes called for redemption or any portion of the notes called for redemption (in the event of the partial redemption of the notes, interest will cease to accrue on the portion of the notes called for redemption and the payment of the redemption price and accrued and unpaid interest). On or before the redemption date, we will deposit with the trustee monies sufficient to pay the principal amount of and (unless the redemption date shall be an interest payment date) accrued and unpaid interest to the redemption date on the notes to be redeemed. If all of the notes of a series are to be redeemed, the notes to be redeemed will be selected by the trustee by such method as the trustee will deem appropriate; *however*, that no notes of a principal amount of \$2,000 or less shall be redeemed in part.

## **Book-Entry; Delivery and Form; Global Securities**

Each series of notes will be issued in the form of one or more global securities, in definitive, fully registered form without interest coupons, as a “global security.” Each such global security will be deposited with the trustee as custodian for DTC and registered in the name of a nominee of the trustee for the accounts of participants in DTC.

We will not issue certificated securities to you for the notes you purchase, except in the limited circumstances described below. DTC, which will keep a computerized record of its participants whose clients have purchased and beneficially own notes of a particular series, will maintain a record of its clients who have purchased and beneficially own notes of a particular series. Unless it is exchanged in whole or in part for a certificated security, a global security may not be transferred. DTC, its nominee and their successors may, however, transfer a global security as a whole to one another, and these transfers will be reflected on our records or a register to be maintained by the trustee.

Additional information concerning book-entry procedures, as well as DTC, Euroclear Bank SA/NV, as operator of the Euroclear System, or Clearstream Banking, *société anonyme*, or Clearstream, is set forth under “Description of the Debt Securities—Book-Entry; Delivery and Form” in the accompanying prospectus.

Beneficial interests in a global security will be shown on, and transfers of beneficial interests in the global securities will be made by DTC and its participants. When you purchase notes through the DTC system, the purchases must be made by or through a direct participant in DTC whose name is shown on DTC’s records. When you actually purchase the notes, you will become their beneficial owner. Your ownership interest will be reflected on DTC’s records. DTC will have no knowledge of your individual ownership of the notes. DTC’s records will show only the identity of the participants who own the notes held by or through them. You will not receive a written confirmation of your purchase or sale or any periodic account statement or other information that you may receive these from your direct or indirect participant. As a result, the direct or indirect participants are responsible for keeping accurate accounts of their ownership of the notes.

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The trustee will wire payments on the notes to DTC's nominee. The trustee and we will treat DTC's nominee as the owner of each note. Accordingly, the trustee, any paying agent and we will have no direct responsibility or liability to pay amounts due on a global security to you. Any redemption notices will be sent by us directly to DTC, which will, in turn, inform the direct participants (or the indirect participants) of you as a beneficial holder.

It is DTC's current practice, upon receipt of any payment of principal, interest, redemption prices, distributions or liquidation amounts, to pass through such payments to the participants in the accounts proportionately on the payment date based on their holdings. In addition, it is DTC's current practice to pass through any consenting to the use of an omnibus proxy. Those participants will, in turn, make payments to and solicit votes from you, the beneficial owner of notes, based on the instructions you provide. To the extent that the use of an omnibus proxy to you will be the responsibility of the participants and not of DTC, the trustee or our company.

Notes of a series represented by global securities will be exchangeable for certificated securities with the same terms in authorized circumstances described in "Description of the Debt Securities—Book-Entry; Delivery and Form; Global Securities" in the accompanying prospectus. If the notes are exchanged for certificated securities, the trustee will keep the registration books for the notes at its corporate trust office and follow customary practices for those certificated securities.

Links have been established among DTC, Clearstream and Euroclear to facilitate the initial issuance of the notes sold outside of the United States and the transfers of the notes associated with secondary market trading.

Although DTC, Clearstream and Euroclear have agreed to the procedures described below in order to facilitate transfers, they are not intended to be exclusive procedures, and these procedures may be modified or discontinued at any time.

Clearstream and Euroclear will record the ownership interests of their participants in much the same way as DTC, and DTC will record the ownership interests of its participants in much the same way as the U.S. agents of Clearstream and Euroclear, as participants in DTC. When notes are to be transferred from the account of a DTC participant to the account of a Clearstream participant or a Euroclear participant, the purchaser must send instructions to Clearstream or Euroclear through a participant at least one day before the settlement date. Clearstream or Euroclear, as the case may be, will instruct its U.S. agent to receive notes against payment. After settlement, Clearstream or Euroclear will confirm the transfer and the ownership interests for the notes will appear on the next day (European time).

Because settlement is taking place during New York business hours, DTC participants will be able to employ their usual procedures for settling transactions with DTC. The U.S. agent acting for the benefit of Clearstream or Euroclear participants. The sale proceeds will be available to the DTC seller on the settlement date. If a participant, a cross-market transaction will settle no differently than a trade between two DTC participants.

When a Clearstream or Euroclear participant wishes to transfer notes to a DTC participant, the seller will be required to send instructions to Clearstream or Euroclear through a participant at least one business day prior to settlement. In these cases, Clearstream or Euroclear will instruct its U.S. agent to transfer the notes to the DTC participant. The payment will then be reflected in the account of the Clearstream or Euroclear participant the following day, with the proceeds back to the Clearstream or Euroclear participant. The payment would be the preceding day, when settlement occurs in New York. If settlement is not completed on the intended value date, that is, the trade date, the payment to the Clearstream or Euroclear participant's account will instead be valued as of the actual settlement date.

You should be aware that you will only be able to make and receive deliveries, payments and other communications involving the notes through DTC, Clearstream or Euroclear on the days when those clearing systems are open for business.

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are open for business. Those systems may not be open for business on days when banks, brokers and other institutions are open for business. Because of time zone differences there may be problems with completing transactions involving Clearstream and Euroclear on the same business day.

**Trustee, Paying Agent and Security Registrar**

The Bank of New York Mellon Trust Company, N.A. will be the trustee, paying agent and security registrar with respect to the new relationships with us and our affiliates.

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[Table of Contents](#)**CERTAIN U.S. FEDERAL INCOME AND ESTATE TAX CONSEQUENCES TO NON-U.S. HOLDERS**

The following is a summary of certain U.S. federal income and estate tax consequences of the purchase, ownership and disposition of the notes. Except where noted, this summary deals only with notes that are held as capital assets by a non-U.S. holder who acquires the notes upon original issuance at their original price.

A “non-U.S. holder” means a holder of the notes (other than a partnership) that is not for U.S. federal income tax purposes any of the following:

- an individual citizen or resident of the United States;
- a corporation (or any other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust if it (1) is subject to the primary supervision of a court within the United States and one or more United States persons exercise substantial decisions of the trust or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

This summary is based upon provisions of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), and regulations, rulings and court decisions in effect as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in U.S. federal income and estate tax consequences different from those described in this summary. This summary does not address all aspects of U.S. federal income and estate taxes and does not deal with foreign, state, local or other tax consequences. It is not intended to advise non-U.S. holders in light of their personal circumstances. In addition, it does not represent a detailed description of the U.S. federal income and estate tax consequences to you if you are subject to special treatment under the U.S. federal income tax laws (including if you are a U.S. expatriate, “controlled foreign corporation,” “qualified electing fund,” “investment company” or a partnership or other pass-through entity for U.S. federal income tax purposes). We cannot assure you that a change in the U.S. federal income and estate tax laws or regulations will not affect the tax considerations that we describe in this summary.

If a partnership holds the notes, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding the notes, you should consult your tax advisors.

**If you are considering the purchase of notes, you should consult your own tax advisors concerning the particular U.S. federal income and estate tax consequences to you of the ownership of the notes, as well as the consequences to you arising under the laws of any other country.**

**U.S. Federal Withholding Tax**

The 30% U.S. federal withholding tax will not apply to any payment of interest on the notes under the “portfolio interest rule,” provided that:

- interest paid on the notes is not effectively connected with your conduct of a trade or business in the United States;

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- you do not actually (or constructively) own 10% or more of the total combined voting power of all classes of our voting and applicable U.S. Treasury regulations;
- you are not a controlled foreign corporation that is related to us through stock ownership;
- you are not a bank whose receipt of interest on the notes is described in Section 881(c)(3)(A) of the Code; and
- either (a) you provide your name and address on an Internal Revenue Service (“IRS”) Form W-8BEN (or other applicable form) certifying that you are not a United States person as defined under the Code or (b) you hold your notes through certain foreign entities that meet the certification requirements of applicable U.S. Treasury regulations. Special certification rules apply to non-U.S. holders that are corporations or individuals.

If you cannot satisfy the requirements described above, payments of interest made to you will be subject to the 30% U.S. federal withholding tax with a properly executed:

- IRS Form W-8BEN (or other applicable form) claiming an exemption from or reduction in withholding under the benefit of a tax treaty;
- IRS Form W-8ECI (or other applicable form) stating that interest paid on the notes is not subject to withholding tax because it is derived from your conduct of a trade or business in the United States (as discussed below under “U.S. Federal Income Tax”).

The 30% U.S. federal withholding tax generally will not apply to any payment of principal or gain that you realize on the sale, exchange, or disposition of a note.

**U.S. Federal Income Tax**

If you are engaged in a trade or business in the United States and interest on the notes is effectively connected with the conduct of such trade or business (or, if you are a foreign corporation, is required by an applicable income tax treaty, is attributable to a U.S. permanent establishment), then you will be subject to U.S. federal income tax on such interest on a net basis (although you will be exempt from the 30% U.S. federal withholding tax; *provided* the certification requirements discussed above in “U.S. Federal Income Tax” are satisfied) in the same manner as if you were a United States person as defined under the Code. In addition, if you are a foreign corporation, you will be subject to a U.S. federal income tax equal to 30% (or lower applicable income tax treaty rate) of such interest, subject to adjustments.

Any gain realized on the disposition of a note generally will not be subject to U.S. federal income tax unless:

- the gain is effectively connected with your conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment); or
- you are an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and

**U.S. Federal Estate Tax**

Your estate will not be subject to U.S. federal estate tax on notes beneficially owned by you at the time of your death; *provided* that your estate would be eligible for exemption from the 30% U.S. federal withholding tax under the “portfolio interest rule” described above under “U.S. Federal Income Tax” with regard to the statement requirement described in the fifth bullet point of that section.

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**[Table of Contents](#)****Information Reporting and Backup Withholding**

Generally, we must report to the IRS and to you the amount of interest paid to you and the amount of tax, if any, withheld with respect to interest payments. Information returns reporting such interest payments and any withholding may also be made available to the tax authorities in the country in which you are a resident for purposes of an applicable income tax treaty.

In general, you will not be subject to backup withholding with respect to payments on the notes that we make to you; *provided that* you are a United States person as defined under the Code, and we have received from you the statement described above regarding your status for Federal Withholding Tax.”

Information reporting and, depending on the circumstances, backup withholding will apply to the proceeds of a sale of notes through certain U.S.-related financial intermediaries, unless you certify under penalties of perjury that you are a non-U.S. holder (and the payee is not a United States person as defined under the Code), or you otherwise establish an exemption.

Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your U.S. federal income tax liability if the required information is furnished to the IRS.

**Additional Withholding Requirements**

Under legislation enacted in 2010 and administrative guidance, a 30% U.S. federal withholding tax may apply to interest income on the gross proceeds from a disposition of notes occurring after December 31, 2016 paid to (i) a foreign financial institution (whether such foreign institution is the beneficial owner or an intermediary) unless such foreign financial institution agrees to verify, report and disclose its U.S. account holders and meets certain other requirements, or (ii) a non-financial foreign entity (whether such non-financial foreign entity is the beneficial owner or an intermediary) unless such entity provides the name, address and taxpayer identification number of each substantial U.S. owner of the payment does not have any substantial U.S. owners or provides the name, address and taxpayer identification number of each substantial U.S. owner. The legislation contains a grandfathering provision that exempts from withholding any payment under, or of, an obligation that is outstanding on March 18, 2012, and proposed U.S. Treasury regulations would extend this grandfathering provision to January 1, 2013. These proposed regulations are not effective until finalized, however, and unless and until they are so finalized, taxpayers should consult their own tax advisors regarding this legislation and whether it may be relevant to their purchase, ownership and disposition of the notes.

[Table of Contents](#)**UNDERWRITING**

We and the underwriters named below have entered into an underwriting agreement relating to the offer and sale of the notes. In agreed to sell to each underwriter severally, and each underwriter has agreed severally to purchase from us, the principal amount of notes the underwriter below:

| <b>Underwriter</b>                | <b>Principal Amount of<br/>2017 Notes</b> | <b>Principal Amount of<br/>2022 Notes</b> |
|-----------------------------------|---|---|
| Barclays Capital Inc.             | \$ 162,000,000                            | \$ 202,500,000                            |
| J.P. Morgan Securities LLC        | 162,000,000                               | 202,500,000                               |
| UBS Securities LLC                | 162,000,000                               | 202,500,000                               |
| HSBC Securities (USA) Inc.        | 48,000,000                                | 60,000,000                                |
| U.S. Bancorp Investments, Inc.    | 48,000,000                                | 60,000,000                                |
| Lebenthal & Co., LLC              | 6,000,000                                 | 7,500,000                                 |
| Samuel A. Ramirez & Company, Inc. | 6,000,000                                 | 7,500,000                                 |
| The Williams Capital Group, L.P.  | 6,000,000                                 | 7,500,000                                 |
| Total                             | <u>\$ 600,000,000</u>                     | <u>\$ 750,000,000</u>                     |

The underwriting agreement provides that the underwriters are obligated to purchase all of the notes if any are purchased. The u that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may be increased or the offering of notes may be ter

The underwriters propose to offer each series of notes directly to the public at the public offering prices described on the cover and to certain dealers at the public offering price less a concession not to exceed 0.200% of the principal amount of the 2017 notes, 0.300% notes and 0.500% of the principal amount of the 2042 notes. The underwriters may allow, and dealers may reallocate, a concession not to exce the 2017 notes, 0.125% of the principal amount of the 2022 notes or 0.250% of the principal amount of the 2042 notes on sales to other deale notes of each series, the underwriters may change the public offering prices and concessions.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, a payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the notes, subject to prior sale, when, as and if issued to and accepted by them, subject to approval including the validity of the notes, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of an opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

The following tables show the underwriting discounts and commissions that we are to pay to the underwriters in connection with

Per 2017 note  
Total

Per 2022 note  
Total

Per 2042 note

Final Prospectus Supplement

<http://www.sec.gov/Archives/edgar/data/78>

Total

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The expenses of the offering, not including underwriting discounts, are estimated to be approximately \$2.7 million and will be paid by the issuer.

**New Issue of Notes**

There are currently no public trading markets for the notes. We have not applied and do not intend to apply to list the notes on an exchange. Underwriters have advised us that they currently intend to make a market in each series of the notes. However, they are not obligated to do so and may discontinue any market-making in the notes at any time without notice. Therefore, we cannot assure you that liquid trading markets for the notes will exist when you sell your notes or that the price you receive when you sell will be favorable.

**Price Stabilization and Short Positions**

In connection with the offering, the underwriters are permitted to engage in transactions that stabilize the market prices of the notes. These transactions may include purchases to peg, fix or maintain the price of the notes. If an underwriter creates a short position in the notes of a series in connection with the offering (other than that series than are on the cover page of this prospectus supplement), the underwriter may reduce that short position by purchasing notes of that series. The creation of a short position and its subsequent reduction could cause the price of the security to be higher than it might be in the absence of such transactions.

Neither we nor the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the prices of the notes. In addition, neither we nor the underwriters make any representation that the underwriters will engage in these transactions if they commence, will not be discontinued without notice.

**Sales Outside the United States**

The notes may be offered and sold in the United States and certain jurisdictions outside the United States in which such offer and sale are lawful.

***European Economic Area***

Each underwriter has represented and agreed that, in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Implementation Date"), it has not made and will not make an offer of notes to the public in that Relevant Member State prior to the publication of the prospectus for the notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State by the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Implementation Date, make an offer of notes to the public in that Relevant Member State at any time:

- (1) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (2) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior approval of a representative or representatives nominated by us for any such offer; or
- (3) 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.

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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 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 as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Member State; “Prospectus Directive” means Council Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive) and includes any relevant implementing measure in that Member State; and “2010 PD Amending Directive” means Directive 2010/73/EU.

***United Kingdom***

Each underwriter has represented and agreed that:

- (i) 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 offer of notes in circumstances in which Section 21(1) of the FSMA does not apply to us; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to an offer of notes 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 Securities and Futures Ordinance (Cap.32, Laws of Hong Kong), or (ii) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap.32, 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 Securities and Futures 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 or control of any person (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 (whether or not in Hong Kong) other than with respect to notes which are or are intended to be disposed of only to persons outside Hong Kong or “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

***Japan***

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

***Singapore***

This prospectus supplement and the accompanying prospectus have not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus supplement and the accompanying prospectus and any other document or material in connection with the offer or sale of the notes, or the purchase, of the notes may not be circulated or distributed, nor may the notes be offered or

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sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) 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 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable law.

Where the notes are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not a subsidiary of the issuer and the 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 (the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures or other securities of that corporation or the beneficiaries’ rights and interest in that trust shall not be transferred within six months after that corporation or trust is formed 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 of the SFA; (2) where no consideration is or will be given for the transfer; or (3) the transfer is by operation of law.

**Other Relationships**

Certain underwriters and their affiliates have engaged in, and may in the future engage in commercial and investment banking services and other commercial dealings in the ordinary course of business.

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**LEGAL MATTERS**

The validity of the notes will be passed upon for us by Simpson Thacher & Bartlett LLP, New York, New York, and, with respect to us, Keith R. Dolliver, Esq., our Associate General Counsel, Legal and Corporate Affairs, and Assistant Secretary. Weil, Gotshal & Manges LLP is the legal counsel to the underwriters in connection with the offering of the notes.

Mr. Dolliver beneficially owns, or has the right to acquire, an aggregate of less than 0.01% of the common stock of Microsoft Corporation.

Weil, Gotshal & Manges LLP performs legal services for us from time to time.

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**PROSPECTUS**



**Microsoft Corporation**

Debt Securities

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We may, from time to time, offer to sell debt securities in one or more offerings. This prospectus describes some of the general terms of these securities. We will provide the specific terms and conditions of these securities in prospectus supplements to this prospectus.

We may offer and sell these debt securities to or through one or more underwriters, dealers and agents or directly to purchasers, on a

**Investing in our debt securities involves risks. You should consider the risk factors described in any accompanying prospectus supplement and incorporate by reference.**

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

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This prospectus is dated November 2, 2012

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You should rely only on the information contained or incorporated by reference in this prospectus, in any accompanying prospectus supplement, or in any free writing prospectus filed by us with the Securities and Exchange Commission, or the SEC. We have not authorized any other person to provide you with different or inconsistent information. If anyone provides you with different or inconsistent information, you should not rely on it. You should not assume that the information incorporated by reference in this prospectus and any prospectus supplement or in any such free writing prospectus is accurate as of the dates thereof. Our business, financial condition, results of operations and prospects may have changed since those dates.

We are not making an offer to sell these debt securities in any jurisdiction where the offer or sale is not permitted.

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## ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the SEC under the Securities Act of 1933, as amended, or the Securities Act, and the Securities Exchange Act of 1934, as amended, or the Exchange Act, in connection with our shelf registration process. Under this shelf registration process, we may, at any time and from time to time, sell in one or more offerings any of our debt securities. This prospectus is part of the information you should read and consider before you decide to buy any of our debt securities. This prospectus is not a contract. For more information, see the prospectus supplement.

This prospectus provides you with a general description of the debt securities that we may offer. Each time we sell debt securities, we will file a prospectus supplement that will contain specific information about the terms of that offering, including the specific amounts, prices and terms of the securities. The prospectus supplement may also add, update or change information contained in this prospectus.

You should carefully read both this prospectus and any prospectus supplement together with additional information described below under “Where You Can Find More Information.”

References in this prospectus to “Microsoft,” “we,” “us” and “our” and all similar references are to Microsoft Corporation and its consolidated subsidiaries, unless otherwise stated or the context otherwise requires. However, in the “Description of the Debt Securities” section of this prospectus, references to “Microsoft” are to Microsoft Corporation (parent company only) and not to any of its subsidiaries.

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### WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. The public may read and copy any SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. The public may obtain information on the operation of the Public Reference Room at 1-800-SEC-0330. Also, the SEC maintains an Internet web site that contains reports, proxy and information statements, and other information that we file electronically with the SEC. The public can obtain any documents that we file electronically with the SEC at <http://www.sec.gov>.

We also make available, free of charge, on or through our Internet web site (<http://www.microsoft.com>) our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, Proxy Statements on Schedule 14A and, if applicable, amendments to those reports filed or furnished pursuant to the Securities Exchange Act of 1934, as amended, or the Exchange Act, as soon as reasonably practicable after we electronically file such material with the SEC. Please note, however, that we have not incorporated any other information by reference from our Internet web site, other than the documents incorporated by reference herein. "Incorporation by Reference." In addition, you may request copies of these filings at no cost through our Investor Relations Department at: Microsoft Corporation, One Microsoft Way, Redmond, Washington 98052-6399, telephone: 800-285-7772 (U.S.) or (425) 706-4400 (international), e-mail: [msft@microsoft.com](mailto:msft@microsoft.com).

We have filed with the SEC a registration statement on Form S-3 relating to the debt securities covered by this prospectus. This prospectus is a part of the registration statement and does not contain all the information in the registration statement. Whenever a reference is made in this prospectus to a contract or other document, the reference is only a summary and you should refer to the exhibits that are a part of the registration statement for a copy of the contract or other document. The registration statement and the documents incorporated by reference herein at the SEC's Public Reference Room in Washington, D.C., as well as the Internet web site listed above.

### INCORPORATION BY REFERENCE

The SEC allows us to incorporate by reference information into this prospectus. This means that we can disclose important information in a separate document. Any information referred to in this way is considered part of this prospectus from the date we file that document. Any reports filed with the SEC after the date of this prospectus and before the date that the offering of the debt securities by means of this prospectus is terminated will automatically update the information contained in this prospectus or incorporated by reference in this prospectus.

We incorporate by reference in this prospectus the documents set forth below that have been previously filed with the SEC; provided, however, that we are not incorporating any documents or information deemed to have been furnished rather than filed in accordance with SEC rules:

- our Annual Report on Form 10-K for the fiscal year ended June 30, 2012;
- our Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2012;
- our Current Reports on Form 8-K filed on July 2, 2012, September 18, 2012, October 9, 2012 and November 2, 2012; and
- any filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act on or after the date of this prospectus and before the date of this offering.

To obtain copies of these filings, see "Where You Can Find More Information."

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### FORWARD-LOOKING STATEMENTS

Certain statements in this prospectus, any prospectus supplement and the documents incorporated by reference herein, other than pure historical statements, are estimates, projections, statements relating to our business plans, objectives and expected operating results, and the assumptions upon which those estimates, projections, statements are based. These statements are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 27A of the Securities Exchange Act of 1934. These forward-looking statements generally are identified by the words “believe,” “project,” “expect,” “anticipate,” “estimate,” “intend,” “plan,” “may,” “should,” “will,” “would,” “will be,” “will continue,” “will likely result,” and similar expressions. Forward-looking statements are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. The following factors, among others, may cause such differences:

- intense competition in all of Microsoft’s markets;
- execution and competitive risks in transitioning to cloud-based computing;
- significant business investments that may not gain customer acceptance and produce offsetting increases in revenue;
- Microsoft’s continued ability to protect its intellectual property rights;
- claims that Microsoft has infringed the intellectual property rights of others;
- the possibility of unauthorized disclosure of significant portions of Microsoft’s source code;
- cyber-attacks and security vulnerabilities in Microsoft products that could reduce revenue or lead to liability;
- improper disclosure of personal data that could result in liability and harm to Microsoft’s reputation;
- outages and disruptions of services provided to customers directly or through third parties if Microsoft fails to maintain an adequate level of service;
- government litigation and regulation affecting how Microsoft designs and markets its products;
- Microsoft’s ability to attract and retain talented employees;
- delays in product development and related product release schedules;
- unfavorable changes in general economic conditions, disruption of Microsoft’s partner networks or sales channels, or the availability of Microsoft’s products and services or the value of Microsoft’s investment portfolio;
- adverse results in legal disputes;
- unanticipated tax liabilities;
- quality or supply problems in Microsoft’s consumer hardware or other vertically integrated hardware and software products;
- impairment of goodwill or amortizable intangible assets causing a charge to earnings;
- exposure to increased economic and regulatory uncertainties from operating a global business;
- geopolitical conditions, natural disaster, cyberattack or other catastrophic events disrupting Microsoft’s business; and
- acquisitions, joint ventures and strategic alliances that adversely affect Microsoft’s business.



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A detailed discussion of these and other risks and uncertainties that could cause actual results and events to differ materially from such as included in Part I, Item 1A of our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q in the section entitled “Risk Factors” is included from time to time in our reports filed with the SEC.

We undertake no obligation to update to revise publicly any forward-looking statements, whether as a result of new information, future events, or otherwise, required by applicable law.

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## OUR COMPANY

Microsoft was founded in 1975. Our mission is to enable people and businesses throughout the world to realize their full potential by transforming the way people work, play, and communicate. We develop and market software, services, and hardware that deliver new opportunities and enhanced value to people's lives. We do business worldwide and have offices in more than 100 countries.

Microsoft is incorporated under the laws of the State of Washington. Our principal executive offices are located at One Microsoft Way, Redmond, WA 98052-6399, and our main telephone number is (425) 882-8080.

## RISK FACTORS

Investing in the debt securities involves risks. Before making a decision to invest in the debt securities, you should carefully consider the "Risk Factors" in Item 1A of our Annual Report on Form 10-K for the fiscal year ended June 30, 2012 and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2012, each of which is incorporated by reference in this prospectus. See "Where You Can Find More Information."

## RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth the historical ratio of our earnings to our fixed charges for the periods indicated.

|  | Three Months<br>Ended<br>September 30,<br>2012 | 2012 |
|--|--|------|
| Ratio of earnings to fixed charges (1)   | 51x  | 52x  |
| (1) For purposes of calculating the ratio of earnings to fixed charges, earnings represents earnings from continuing operations before income taxes and from equity method investments plus: (a) fixed charges; and (b) cash distributions from equity method investments. Fixed charges include interest expense on debt, amortization of debt discounts, and amortization of capitalized interest; and (b) the portion of operating rental expense which management believes is representative of the interest cost of debt. |  |      |

## USE OF PROCEEDS

Except as otherwise set forth in the applicable prospectus supplement, we intend to use the net proceeds from sales of the debt securities for the purposes, which may include, among other things, funding for working capital, capital expenditures, repurchases of our capital stock, acquisition of businesses, and the payment of debt.

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## DESCRIPTION OF THE DEBT SECURITIES

We have summarized below general terms and conditions of the debt securities that we will offer and sell pursuant to this prospectus. For each particular series of debt securities, we will describe the specific terms and conditions of the series in a prospectus supplement to this prospectus. The applicable prospectus supplement whether the general terms and conditions described in this prospectus apply to the series of debt securities or the debt securities of a series may be different in one or more respects from the terms and conditions described below. If so, those differences will be described in the applicable prospectus supplement. We may, but need not, describe any additional or different terms and conditions of such debt securities in our quarterly report on Form 10-Q or a current report on Form 8-K filed with the SEC, the information in which would be incorporated by reference into this prospectus. The information will be identified in the applicable prospectus supplement.

We will issue the debt securities in one or more series under an indenture between us and The Bank of New York Mellon Trust Company, N.A. The following summary of provisions of the indenture does not purport to be complete and is subject to, and qualified in its entirety by reference to, the indenture, including definitions therein of certain terms. This summary may not contain all of the information that you may find useful. The terms of the debt securities of each series will be set forth in those debt securities and in the indenture. For a comprehensive description of any series of debt securities, to this prospectus, you should read both this prospectus and the applicable prospectus supplement.

The indenture has been filed as an exhibit to the registration statement of which this prospectus forms a part. A form of each debt security and the terms and provisions of that series of debt securities, will be filed with the SEC in connection with each offering and will be incorporated by reference into this prospectus. Of which this prospectus forms a part. You may obtain a copy of the indenture and any form of debt security that has been filed in the manner prescribed in the prospectus supplement. More Information.”

Capitalized terms used and not defined in this summary have the meanings specified in the indenture. For purposes of this section, “we,” “us” and “our” are to Microsoft Corporation (parent company only) and not to any of its subsidiaries. References to the “applicable prospectus supplement” to this prospectus that describes the specific terms and conditions of a series of debt securities.

### General

We may offer the debt securities from time to time in as many distinct series as we may determine. All debt securities will be issued under the indenture. The indenture does not limit the amount of debt securities that we may issue under that indenture. We may, without the consent of the holders of the outstanding debt securities, issue additional debt securities ranking equally with, and otherwise similar in all respects to, the debt securities of the series (except for the public offering price) and that those additional debt securities will be consolidated and form a single series with the debt securities of the series previously offered and sold.

The debt securities of each series will be issued in fully registered form without interest coupons. We currently anticipate that the debt securities offered and sold pursuant to this prospectus will be issued as global debt securities as described under “—Book-Entry; Delivery and Form; and—Book-Entry Form Only.”

Debt securities denominated in U.S. dollars will be issued in denominations of \$2,000 and any integral multiple of \$1,000 in excess of \$2,000 as specified in the applicable prospectus supplement. If the debt securities of a series are denominated in a foreign or composite currency, the applicable prospectus supplement will specify the denomination or denominations in which those debt securities will be issued.

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Unless otherwise specified in the applicable prospectus supplement, we will repay the debt securities of each series at 100% accrued and unpaid interest thereon at maturity, except if those debt securities have been previously redeemed or purchased and cancelled.

Unless otherwise specified in the applicable prospectus supplement, the debt securities of each series will not be listed on any security exchange.

### **Provisions of Indenture**

The indenture provides that debt securities may be issued under it from time to time in one or more series. For each series of debt securities, the applicable prospectus supplement will describe the following terms and conditions of that series of debt securities:

- the title of the series;
- the maximum aggregate principal amount, if any, established for debt securities of the series;
- the person to whom any interest on a debt security of the series will be payable, if other than the person in whose name any predecessor debt securities) is registered at the close of business on the regular record date for such interest;
- the date or dates on which the principal of any debt securities of the series will be payable or the method used to determine such date or dates;
- the rate or rates at which any debt securities of the series will bear interest, if any, the date or dates from which any such interest will be payable and the regular record date for any such interest payable on such date or dates;
- the place or places where the principal of and premium, if any, and interest on any debt securities of the series will be payable and where payment may be made;
- the period or periods within which, the price or prices at which and the terms and conditions upon which any debt securities of the series may be redeemed in whole or in part, at our option and, if other than by a board resolution, the manner in which any election by us to redeem shall be evidenced;
- our obligation or right, if any, to redeem or purchase any debt securities of the series pursuant to any sinking fund or other provision, the period or periods within which, the price or prices at which and the terms and conditions upon which any debt securities of the series may be redeemed or purchased, in whole or in part, pursuant to such obligation;
- if other than denominations of \$2,000 and any integral multiple of \$1,000 in excess thereof, the denominations in which the securities of the series may be issuable;
- if the amount of principal of or premium, if any, or interest on any debt securities of the series may be determined with reference to a measure or index or pursuant to a formula, the manner in which such amounts will be determined;
- if other than U.S. dollars, the currency, currencies or currency units in which the principal of or premium, if any, or interest on any debt securities of the series will be payable and the manner of determining the equivalent thereof in U.S. dollars for any purpose;
- if the principal of or premium, if any, or interest on any debt securities of the series is to be payable, at our election or the election of the holders of such securities, in one or more currencies or currency units other than that or those in which such debt securities are stated to be payable and the manner of determining the equivalent thereof in U.S. dollars in which the principal of or premium, if any, or interest on such debt securities as to which such election is made shall be payable and the terms and conditions upon which such election is to be made and the amount so payable (or the manner of determining the same);

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- if other than the entire principal amount thereof, the portion of the principal amount of any debt securities of the series declaration of acceleration of the maturity thereof pursuant to the indenture;
- if the principal amount payable at the stated maturity of any debt securities of the series will not be determinable as of the stated maturity, the amount which will be deemed to be the principal amount of such debt securities as of any such date hereunder, including the principal amount thereof which will be due and payable upon any maturity other than the stated maturity, be outstanding as of any date prior to the stated maturity (or, in any such case, the manner in which such amount deemed determined);
- if other than by a board resolution, the manner in which any election by us to defease any debt securities of the series is evidenced; whether any debt securities of the series other than debt securities denominated in U.S. dollars and bearing interest are subject to the defeasance provisions of the indenture; or, in the case of debt securities denominated in U.S. dollars and bearing interest, applicable, that the debt securities of the series, in whole or any specified part, will not be defeasible pursuant to the provisions of the indenture;
- if applicable, that any debt securities of the series will be issuable in whole or in part in the form of one or more global securities, the respective depositaries for such global securities and the form of any legend or legends which will be borne by any such global security, and the circumstances in which any such global security may be exchanged in whole or in part for debt securities registered, or in whole or in part may be registered, in the name or names of persons other than the depositary for such global securities;
- any addition to, deletion from or change in the events of default applicable to any debt securities of the series and any requirement that requisite holders of such debt securities to declare the principal amount thereof due and payable;
- any addition to, deletion from or change in the covenants applicable to debt securities of the series;
- if the debt securities of the series are to be convertible into or exchangeable for cash and/or any securities or other property, the terms and conditions upon which such debt securities will be so convertible or exchangeable;
- whether the debt securities of the series will be guaranteed by any persons and, if so, the identity of such persons, the amount of such guarantee, whether the debt securities will be guaranteed and, if applicable, the terms and conditions upon which such guarantees may be substituted by the respective guarantors;
- whether the debt securities of the series will be secured by any collateral and, if so, the terms and conditions upon which such securities will be secured and, if applicable, upon which such liens may be subordinated to other liens securing other indebtedness of us;
- any other terms of the debt securities of the series (which terms will not be inconsistent with the provisions of the indenture thereunder).

**Interest and Interest Rates*****General***

In the applicable prospectus supplement, we will designate the debt securities of a series as being either debt securities bearing interest at a fixed rate or debt securities bearing interest at a floating rate of interest. Each debt security will begin to accrue interest from the date on which it is originally issued.

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each such debt security will be payable in arrears on the interest payment dates set forth in the applicable prospectus supplement and as otherwise provided in the applicable prospectus supplement, or, if earlier, the redemption date described below. Interest will be payable to the holder of record of the debt securities at the close of business on the next succeeding business day after the interest payment date, which record dates will be specified in such prospectus supplement.

As used in the indenture, the term “business day” means, with respect to debt securities of a series, any day, other than a Saturday or Sunday or a day on which banking institutions are authorized or obligated by law or executive order to close in the place where the principal of and premium, if any, on the debt securities are payable.

### ***Fixed Rate Debt Securities***

If the debt securities of a series being offered will bear interest at a fixed rate of interest, the debt securities of that series will bear interest at the fixed rate of interest specified on the cover page of the applicable prospectus supplement. Interest on those debt securities will be payable semi-annually in arrears on the interest payment dates set forth in the applicable prospectus supplement. If the maturity date, the redemption date or an interest payment date is not a business day, we will pay principal, premium, if any, and interest on the next succeeding business day, and no interest will accrue from and after the relevant maturity date, redemption date or interest payment date. Unless otherwise specified in the applicable prospectus supplement, interest on the fixed rate debt securities will be computed on the basis of a 30-day month.

### ***Floating Rate Debt Securities***

If the debt securities of a series being offered will bear interest at a floating rate of interest, the debt securities of that series will bear interest at the floating rate of interest set forth in the applicable prospectus supplement and as otherwise set forth below. Each floating rate of interest will be payable on the basis of the rate determined as set forth in the applicable prospectus supplement and as otherwise set forth below. Each floating rate of interest will be payable on the basis of the rate determined as set forth in the applicable prospectus supplement and as otherwise set forth below. Each floating rate of interest will be payable on the basis of the rate determined as set forth in the applicable prospectus supplement and as otherwise set forth below.

Unless otherwise specified in the applicable prospectus supplement, we will base that formula on the London Interbank Offered Rate (LIBOR) for the applicable currency. The “LIBOR Currency” means the currency specified in the applicable prospectus supplement as to which LIBOR will be calculated. In the applicable prospectus supplement, we will indicate any spread or spread multiplier to be applied to the LIBOR rate to determine the interest rate applicable in any interest period. Unless otherwise specified in the applicable prospectus supplement, the interest rate will be determined on the basis of the actual number of days during the relevant interest period and a 360-day year.

The floating rate debt securities may have a maximum or minimum rate limitation. In no event, however, will the rate of interest on the floating rate debt securities exceed the maximum rate of interest permitted by New York law as that law may be modified by U.S. laws of general application.

The applicable prospectus supplement will identify the calculation agent for each series of floating rate debt securities, which will be responsible for determining the floating rate of interest on the debt securities.

If any interest payment date for the debt securities of a series bearing interest at a floating rate based on LIBOR (other than the LIBOR rate) would otherwise be a day that is not a business day, then the interest payment date will be postponed to the following date which is a business day. If the interest payment date falls in the next succeeding calendar month, in which case the interest payment date will be the immediately preceding business day. If the maturity date, the redemption date or an interest payment date is not a business day, we will pay principal, premium, if any, the redemption price, if any, and interest on the next succeeding business day after the maturity date or the redemption date, if any, to the date of that payment.

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The calculation agent will reset the rate of interest on the debt securities of a series bearing interest at a floating rate based on LIBOR if the interest reset dates for the debt securities is not a business day, then that interest reset date will be postponed to the next succeeding business day, in which case, the interest reset date will be the immediately preceding business day. The interest rate set for the interest reset date will remain in effect during the interest period commencing on that interest reset date. Each interest period will be the period from the interest reset date to the next interest reset date or until the maturity date or redemption date, if any, of the debt securities, as the case may be.

The calculation agent will determine the interest rate applicable to the debt securities bearing interest at a floating rate based on LIBOR on the interest reset date, which will be the second London banking day immediately preceding the interest reset date. The interest rate determined on an interest reset date will be effective on and as of the next interest reset date. The interest determination date for the interest period commencing on date of issuance of the debt securities will be the applicable prospectus supplement. As used in this prospectus, "London banking day" means any day on which dealings in deposits in the London interbank market.

If the debt securities bear interest at a floating rate based on LIBOR, the calculation agent will determine LIBOR according to the following:

- (a) With respect to any interest determination date, LIBOR will be the rate (expressed as a percentage per annum) for deposits in U.S. dollars of the Index Maturity commencing on the relevant interest reset date that appears on Reuters Page LIBOR01 as of 11:00 a.m. (London time) on that interest determination date. If no such rate appears, LIBOR for that interest determination date will be determined in accordance with the following:
- (b) With respect to an interest determination date on which no rate appears on Reuters Page LIBOR01, as specified in the prospectus supplement, the calculation agent will request the principal London offices of each of four major reference banks in the London interbank market (which may be underwriters or the trustee), as selected by us, to provide the calculation agent with its offered quotation (expressed as a percentage per annum) in U.S. dollars for the Index Maturity, commencing on the relevant interest reset date, to prime banks in the London interbank market at that time. If at least two quotations are provided, then LIBOR on that interest determination date will be the arithmetic mean of the rates so provided. If fewer than two quotations are provided, then LIBOR on the interest determination date will be the arithmetic mean of the rates so provided (New York City time), on the interest determination date by three major banks in New York City (which may be affiliates of the issuer) for loans in U.S. dollars to leading European banks, having an Index Maturity, commencing on the relevant interest reset date, to prime banks in the London interbank market at that time. If at least two such rates are so provided, LIBOR on the interest determination date will be the arithmetic mean of such rates. If fewer than two such rates are so provided, LIBOR on the interest determination date will be the arithmetic mean of such rates. If fewer than two such rates are so provided, LIBOR on the interest determination date will be the arithmetic mean of such rates. If fewer than two such rates are so provided, LIBOR on the interest determination date will be the arithmetic mean of such rates. If fewer than two such rates are so provided, LIBOR on the interest determination date will be the arithmetic mean of such rates.

"Reuters Page LIBOR01" means the display that appears on Reuters (or any successor service) on page LIBOR01 (or any page on the Reuters service) for the purpose of displaying London interbank offered rates of major banks for U.S. dollars.

"Index Maturity" means the period to maturity of the debt securities with respect to which the related interest rate basis or formula for determining the Index Maturity may be one month, three months, six months or one year.

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All percentages resulting from any calculation will be rounded, if necessary, to the nearest one hundred-thousandth of a percent. A percentage point rounded upwards (*e.g.*, 4.876545% (or .04876545)) would be rounded to 4.87655% (or .0487655)), and all U.S. dollar amounts rounded upwards to the nearest cent (with one-half cent being rounded upward).

The calculation agent will promptly notify the trustee of each determination of the interest rate. The calculation agent will also promptly notify the trustee of the interest amount, the interest period and the interest payment date related to each interest reset date as soon as such information becomes available to the holders of the relevant debt securities upon request.

The calculation agent's determination of any interest rate, and its calculation of the amount of interest for any interest period, will be free of manifest error.

So long as any floating rate debt securities are outstanding, we will at all times maintain a calculation agent. We will appoint a bank, or other financial institution to act as the successor calculation agent in the event that:

- any acting calculation agent is unable or unwilling to act;
- any acting calculation agent fails to duly establish the floating interest rate for a series of floating rate debt securities; or
- we propose to remove the calculation agent.

## **Optional Redemption**

### ***Redemption at Our Option***

If specified in the applicable prospectus supplement, we may elect to redeem all or part of the outstanding debt securities of a series on the maturity date of the debt securities of that series. Upon such election, we will notify the trustee of the redemption date and the principal amount to be redeemed. If less than all the debt securities of the series are to be redeemed, the particular debt securities of that series to be redeemed will be selected by the trustee by the method as the trustee deems fair and appropriate. The applicable prospectus supplement will specify the redemption price for the debt securities to be redeemed (including calculating such price), in each case in accordance with the terms and conditions of those debt securities.

Notice of redemption will be given to each holder of the debt securities to be redeemed not less than 30 nor more than 60 days before the redemption date. This notice will include the following information: the redemption date; the redemption price (or the method of calculating such price); the identification of the outstanding debt securities of such series are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amount) of the debt securities to be redeemed; the place or places where such debt securities are to be surrendered for payment of the redemption price; and, if applicable, the date by which the debt securities to be redeemed are to be surrendered.

By no later than 11:00 a.m. (New York City time) on the redemption date, we will deposit or cause to be deposited with the trustee the aggregate redemption price of, and (except if the redemption date shall be an interest payment date or the debt securities to be redeemed have accrued interest on, all of the debt securities or the part thereof to be redeemed on that date. On the redemption date, the redemption price will be paid to the holders of the debt securities to be redeemed, and interest, if any, on the debt securities to be redeemed will cease to accrue from and after that date. Upon the redemption date, if the debt securities for redemption, we will pay those debt securities surrendered at the redemption price together, if applicable, with accrued interest.



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Any debt securities to be redeemed only in part must be surrendered at the office or agency established by us for such purpose. We will authenticate and deliver to a holder without service charge, new debt securities of the same series and of like tenor, of any authorized denomination, to the holder, in a principal amount equal to and in exchange for the unredeemed portion of the debt securities that holder surrenders.

### ***Repayment at Holder's Option***

If specified in the applicable prospectus supplement, the holders of the debt securities of a series will have the option to elect to be repaid prior to the stated maturity of the debt securities of that series at time or times and subject to the conditions specified in the applicable prospectus supplement. If those debt securities have that option, the applicable prospectus supplement will specify the optional repayment date or dates on which the debt security may be repaid, the optional repayment price, or the method by which such price will be determined. The optional repayment price is the price at which, together with the optional repayment date, the debt security may be repaid at the holder's option on each such optional repayment date.

Any tender of a debt security by the holder for repayment will be irrevocable. Any repayment option of a holder may be exercised for less than the entire principal amount of the debt security; provided that the principal amount of the debt security remaining outstanding after such partial repayment is not less than the minimum denomination. Upon such partial repayment, the debt securities will be canceled and new debt securities for the remaining principal amount will be issued in the same series as the repaid debt securities.

If debt securities are represented by a global security as described under “—Book-Entry; Delivery and Form; Global Securities,” the holder of the global security or its nominee will be the holder of the debt security and, therefore, will be the only person that can exercise a right to repayment. If the depository or its nominee will timely exercise a right to repayment relating to a particular debt security, the beneficial owner of the debt security must be a direct or indirect participant in the depository through which it holds an interest in the debt security to notify the depository of its desire to exercise its right to repayment at the appropriate cut-off time for notifying the participant. Different firms have different cut-off times for accepting instructions from their customers. You should consult your broker or other direct or indirect participant through which you hold an interest in a debt security in order to ascertain the cut-off time by which you must give notice for timely notice to be delivered to the appropriate depository.

### **Payment and Transfer or Exchange**

Principal of and premium, if any, and interest on the debt securities of each series will be payable, and the debt securities may be redeemed, at the office or agency maintained by us for such purpose (which initially will be the trustee's office located at 101 Barclay Street, 8W, New York, Corporate Trust Administration). Payment of principal of and premium, if any, and interest on a global security registered in the name of or held for the account of DTC, or its nominee will be made in immediately available funds to DTC or its nominee, as the case may be, as the registered holder of such securities is no longer represented by a global security, payment of interest on certificated debt securities in definitive form may, at our option, be made to the holders at their registered addresses. See “—Book-Entry; Delivery and Form; Global Securities.”

A holder may transfer or exchange any certificated debt securities in definitive form at the same location given in the preceding paragraph. Payment will be made for any registration of transfer or exchange of debt securities, but we may require payment of a sum sufficient to cover any transfer tax or other charge payable in connection therewith.

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We are not required to transfer or exchange any debt security selected for redemption for a period of 15 days before mailing of the security to be redeemed.

The registered holder of a debt security will be treated as the owner of it for all purposes.

All amounts of principal of and premium, if any, or interest on the debt securities paid by us that remain unclaimed two years after the date of payment will be repaid to us, and the holders of such debt securities will thereafter look solely to us for payment.

### **Covenants**

The indenture sets forth limited covenants, including the covenant described below, that will apply to each series of debt securities unless otherwise specified in the applicable prospectus supplement. However, these covenants do not, among other things:

- limit the amount of indebtedness or lease obligations that may be incurred by us and our subsidiaries;
- limit our ability or that of our subsidiaries to issue, assume or guarantee debt secured by liens; or
- restrict us from paying dividends or making distributions on our capital stock or purchasing or redeeming our capital

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

The indenture provides that we may consolidate with or merge with or into any other person, and may sell, transfer, or lease our properties and assets to another person; provided that the following conditions are satisfied:

- we are the continuing entity, or the resulting, surviving or transferee person (the “Successor”) is a person organized in the United States of America, any state thereof or the District of Columbia and the Successor (if not us) will expressly assume our obligations under the debt securities and the indenture and, for each security that by its terms provides for conversion of such security in accordance with its terms;
- immediately after giving effect to such transaction, no default or event of default under the indenture has occurred and
- if requested, the trustee receives from us, an officers’ certificate and an opinion of counsel that the merger, consolidation or sale of assets, as the case may be, complies with the applicable provisions of the indenture.

If we consolidate or merge with or into any other person or sell, transfer, lease or convey all or substantially all of our property, the Successor will be substituted for us in the indenture, with the same effect as if it had been an original party to the indenture. As a result, our rights and powers under the indenture, and we will be released from all our liabilities and obligations under the indenture and under the

Any substitution of the Successor for us might be deemed for federal income tax purposes to be an exchange of the debt securities in recognition of gain or loss for such purposes and possibly certain other adverse tax consequences to beneficial owners of the debt securities. We will consult with our tax advisors regarding the tax consequences of any such substitution.

For purposes of this covenant, “person” means any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organization or government or any agency or political subdivision thereof or any other entity.

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### **Events of Default**

Each of the following events are defined in the indenture as an “event of default” (whatever the reason for such event of default, voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any governmental body) with respect to the debt securities of any series:

- (1) default in the payment of any installment of interest on any debt securities of that series for 30 days after becoming due;
- (2) default in the payment of principal of or premium, if any, on any debt securities of that series when it becomes due, whether or not upon optional redemption, upon declaration or otherwise;
- (3) default in the deposit of any sinking fund payment, when and as due by the terms of any debt securities of that series;
- (4) default in the performance, or breach, of any covenant or agreement of ours in the indenture with respect to the debt securities as referred to in clause (1), (2) or (3) above), which continues for a period of 90 days after written notice to us by the trustee or to us and the trustee in aggregate principal amount of the outstanding debt securities of that series;
- (5) we pursuant to or within the meaning of the Bankruptcy Law:
  - commence a voluntary case or proceeding;
  - consent to the entry of an order for relief against us in an involuntary case or proceeding;
  - consent to the appointment of a Custodian of us or for all or substantially all of our property;
  - make a general assignment for the benefit of our creditors;
  - file a petition in bankruptcy or answer or consent seeking reorganization or relief;
  - consent to the filing of such petition or the appointment of or taking possession by a Custodian; or
  - take any comparable action under any foreign laws relating to insolvency;
- (6) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:
  - is for relief against us in an involuntary case, or adjudicates us insolvent or bankrupt;
  - appoints a Custodian of us or for all or substantially all of our property; or
  - orders the winding-up or liquidation of us (or any similar relief is granted under any foreign laws);and the order or decree remains unstayed and in effect for 90 days; or
- (7) any other event of default provided with respect to debt securities of that series occurs.

“Bankruptcy Law” means Title 11, United States Code or any similar federal or state or foreign law for the relief of debtors.

“Custodian” means any custodian, receiver, trustee, assignee, liquidator or other similar official under any Bankruptcy Law.

If an event of default with respect to debt securities of any series (other than an event of default relating to certain events of bankruptcy)

of us) occurs and is continuing, the trustee by notice to us, or the holders of at least 25% in aggregate principal amount of the outstanding deb

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series by notice to us and the trustee, may, and the trustee at the request of these holders will, declare the principal of and premium, if any, on the debt securities of that series to be due and payable. Upon such a declaration, such principal, premium and accrued and unpaid interest with respect to the debt securities of that series will become and be immediately due and payable without any declaration or other act on the part of the trustee. In the event of default relating to certain events of bankruptcy, insolvency, or reorganization of us occurs and is continuing, the principal of and premium, if any, on the debt securities of that series will become and be immediately due and payable without any declaration or other act on the part of the trustee.

The holders of not less than a majority in aggregate principal amount of the outstanding debt securities of any series may rescind or annul the consequences, if we have deposited certain sums with the trustee and all events of default with respect to the debt securities of that series, of which principal or interest which have become due solely by such acceleration, have been cured or waived, as provided in the indenture.

An event of default for a particular series of debt securities does not necessarily constitute an event of default for any other series of debt securities under the indenture.

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 fulfilling our obligations under the indenture or, if there has been a default in the fulfillment of any such obligation, specifying each default.

No holder of any debt securities of any series will have any right to institute any judicial or other proceeding with respect to the enforcement of any debt security under the indenture, or for any other remedy unless:

(1) an event of default has occurred and is continuing and such holder has given the trustee prior written notice of such event of default with respect to the debt securities of that series;

(2) the holders of not less than 25% of the aggregate principal amount of the outstanding debt securities of that series have requested the trustee to institute proceedings in respect of such event of default;

(3) the trustee has been offered indemnity reasonably satisfactory to it against its costs, expenses and liabilities in connection with such proceedings;

(4) the trustee has failed to institute proceedings 60 days after the receipt of such notice, request and offer of indemnity;

(5) no direction inconsistent with such written request has been given for 60 days by the holders of a majority in aggregate principal amount of the outstanding debt securities of that series.

The holders of a majority in aggregate principal amount of outstanding debt securities of a series will have the right, subject to the terms, conditions and limitations set forth in the indenture, to sue in any court of competent jurisdiction for the enforcement of any debt security under the indenture, or for any other remedy available to the trustee with respect to the debt securities of that series or exercise any other remedy available to the trustee, and to waive certain defaults. The indenture provides that if an event of default occurs and is continuing, the trustee will exercise its rights and powers under the indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of its business. Subject to such provisions, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request of the holders of any debt securities of a series unless they will have offered to the trustee security or indemnity satisfactory to the trustee against the costs, expenses and liabilities incurred by it in compliance with such request.

Notwithstanding the foregoing, the holder of any debt security will have an absolute and unconditional right to receive payment of principal, premium, if any, and interest on that debt security on or after the due dates expressed in that debt security and to institute suit for the enforcement of payment of principal, premium, if any, and interest on that debt security.

[Table of Contents](#)**Modification and Waivers**

Modification and amendments of the indenture and the debt securities of any series may be made by us and the trustee with the consent of a majority in aggregate principal amount of the outstanding debt securities of that series affected thereby; provided, however, that no such modification shall be made without the consent of the holder of each outstanding debt security of that series affected thereby:

- change the stated maturity of the principal of, or installment of interest on, any debt security;
- reduce the principal amount of any debt security or reduce the amount of the principal of any debt security which would result in a declaration of acceleration of the maturity thereof or reduce the rate of interest on any debt security;
- reduce any premium payable on the redemption of any debt security or change the date on which any debt security may be redeemed;
- change the coin or currency in which the principal of, premium, if any, or interest on any debt security is payable;
- impair the right of any holder to institute suit for the enforcement of any payment on or after the stated maturity of any debt security, on or after the redemption date);
- reduce the percentage in principal amount of the outstanding debt securities, the consent of whose holders is required for such reduction;
- reduce the requirements for quorum or voting by holders of debt securities in the indenture or the debt security;
- modify any of the provisions in the indenture regarding the waiver of past defaults and the waiver of certain covenants, except to increase any percentage vote required or to provide that certain other provisions of the indenture cannot be waived without the consent of the holder of each debt security affected thereby;
- make any change that adversely affects the right to convert or exchange any debt security or decreases the conversion price of any convertible or exchangeable debt security, unless such decrease or increase is permitted by the terms of the debt security;
- modify any of the above provisions.

We and the trustee may, without the consent of any holders, modify or amend the terms of the indenture and the debt securities of any series in the following:

- to add to our covenants for the benefit of holders of the debt securities of all or any series or to surrender any right or obligation of ours;
- to evidence the succession of another person to, and the assumption by the successor of our covenants, agreements and obligations pursuant to the covenant described under “—Covenants—Consolidation, Merger and Sale of Assets”;
- to add any additional events of default for the benefit of holders of the debt securities of all or any series;
- to add one or more guarantees for the benefit of holders of the debt securities;
- to secure the debt securities pursuant to the covenants of the indenture;
- to add or appoint a successor or separate trustee or other agent;
- to provide for the issuance of additional debt securities of any series;

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- to establish the form or terms of debt securities of any series as permitted by the indenture;
- to comply with the rules of any applicable securities depository;
- to provide for uncertificated debt securities in addition to or in place of certificated debt securities;
- to add to, change or eliminate any of the provisions of the indenture in respect of one or more series of debt securities; change or elimination (a) shall neither (1) apply to any debt security of any series created prior to the execution of such provision nor (2) modify the rights of the holder of any such debt security with respect to such provision only when there is no debt security described in clause (1) outstanding;
- to cure any ambiguity, omission, defect or inconsistency; or
- to change any other provision; provided that the change does not adversely affect the interests of the holders of debt securities in respect.

The holders of at least a majority in aggregate principal amount of the outstanding debt securities of any series may, on behalf of that series, waive compliance by us with certain restrictive provisions of the indenture. The holders of not less than a majority in aggregate principal amount of the outstanding debt securities of a series may, on behalf of the holders of all debt securities of that series, waive any past default and its consequences under the indenture in respect of that series, except a default (1) in the payment of principal or premium, if any, or interest on debt securities of that series or (2) in the observance of the indenture that cannot be modified or amended without the consent of the holder of each debt security of that series. Upon any such waiver, any event of default arising therefrom will be deemed to have been cured, for every purpose of the indenture; however, no such waiver will constitute an admission of a default or event of default or impair any rights consequent thereon.

**Discharge, Defeasance and Covenant Defeasance**

We may discharge certain obligations to holders of the debt securities of a series that have not already been delivered to the trustee if such obligations have become due and payable or will become due and payable within one year (or scheduled for redemption within one year) by depositing with the trustee an amount sufficient to pay the entire indebtedness including the principal and premium, if any, and interest to the date of such deposit (or to the maturity thereof or the redemption date of the debt securities of that series, as the case may be). We may direct the trustee to deposit such amount in U.S. Treasury securities with a maturity of one year or less or in a money market fund that invests solely in short-term U.S. Treasury securities.

The indenture provides that we may elect either (1) to defease and be discharged from any and all obligations with respect to the debt securities of a series, for, among other things, obligations to register the transfer or exchange of the debt securities, to replace temporary or mutilated, destroyed, lost or stolen securities, to hold moneys for payment in trust ("legal defeasance") or (2) to be released from the restrictive covenants under the indenture, and any omission to comply with such obligations will not constitute a default or an event of default under the indenture. A series and clauses (4) and (7) under "—Events of Default" will no longer be applied ("covenant defeasance"). Legal defeasance or covenant defeasance will be conditioned upon, among other things, the irrevocable deposit by us with the trustee, in trust, of an amount in U.S. dollars, or U.S. government securities, to the extent of the principal and premium, if any, and interest on the debt securities of that series which through the scheduled payment of principal and interest in accordance with their terms will provide for the scheduled payment of principal or premium, if any, and interest on the debt securities on the scheduled due dates therefor.

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If we effect covenant defeasance with respect to the debt securities of any series, the amount in U.S. dollars, or U.S. government securities, the trustee will be sufficient, in the opinion of a nationally recognized firm of independent accountants, to pay amounts due on the debt securities at stated maturity but may not be sufficient to pay amounts due on the debt securities of that series at the time of the acceleration resulting from such event. We would remain liable to make payment of such amounts due at the time of acceleration.

We will be required to deliver to the trustee an opinion of counsel that the deposit and related defeasance will not cause the holder of the debt securities of that series to recognize income, gain or loss for federal income tax purposes. If we elect legal defeasance, that opinion of counsel will be from the U.S. Internal Revenue Service or a change in law to that effect.

We may exercise our legal defeasance option notwithstanding our prior exercise of our covenant defeasance option.

### **Same-Day Settlement and Payment**

Unless otherwise provided in the applicable prospectus supplement, the debt securities will trade in the same-day funds settlement system until we issue the debt securities in certificated form. DTC will therefore require secondary market trading activity in the debt securities to settle. We can give no assurance as to the effect, if any, of settlement in immediately available funds on trading activity in the debt securities.

### **Book-Entry; Delivery and Form; Global Securities**

Unless otherwise specified in the applicable prospectus supplement, the debt securities of each series will be issued in the form of global securities, in definitive, fully registered form without interest coupons, each of which we refer to as a “global security.” Each such global security will be held by the trustee as custodian for DTC and registered in the name of a nominee of DTC in New York, New York for the accounts of participants in DTC.

Investors may hold their interests in a global security directly through DTC if they are DTC participants, or indirectly through other participants. Except in the limited circumstances described below, holders of debt securities represented by interests in a global security will not receive securities in fully registered certificated form.

DTC has advised us as follows: DTC is a limited-purpose trust company organized under New York Banking Law, a “banking company” under the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Securities Act, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities of institutions that have securities to be cleared and to facilitate the clearance and settlement of securities transactions among its participants in such securities through electronic book-entry system, thereby eliminating the need for physical movement of securities certificates. DTC’s participants include both U.S. and non-U.S. trust companies, clearing corporations and certain other organizations. Access to DTC’s book-entry system is also available to others such as brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a participant.

### ***Ownership of Beneficial Interests***

Upon the issuance of each global security, DTC will credit, on its book-entry registration and transfer system, the respective proportionate beneficial interests represented by the global security to the accounts of participants. Ownership of beneficial interests in each global security



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participants or persons that may hold interests through participants. Ownership of beneficial interests in each global security will be shown on the records maintained by DTC (with respect to participants' interests) and such participants (with respect to interests in the global security other than participants).

So long as DTC or its nominee is the registered holder and owner of a global security, DTC or such nominee, as the case may be, will be the owner of the debt security represented by the global security for all purposes under the indenture, the debt securities and applicable law. Except for beneficial interests in a global security, all owners of beneficial interests in a global security will not be entitled to receive certificated debt securities and will not be considered to be the owners of the debt securities represented by the global security. We understand that under existing industry practice, in the event an owner of a beneficial interest in a global security that DTC, as the holder of the global security, is entitled to take, DTC would authorize the participants to take such action, and that participants owning through such participants to take such action or would otherwise act upon the instructions of beneficial owners owning through them. The global security will be able to transfer such interest except in accordance with DTC's applicable procedures, in addition to those provided for in the indenture. If participants can only act on behalf of participants, who in turn act on behalf of others, the ability of a person having a beneficial interest in a global security that do not participate in the DTC system, or otherwise to take actions in respect of that interest, may be impaired by the lack of a physical certificate.

All payments on the debt securities represented by a global security registered in the name of and held by DTC or its nominee, as the case may be, as the registered owner and holder of the global security.

We expect that DTC or its nominee, upon receipt of any payment of principal, premium, if any, or interest in respect of a global security, will credit the accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the global security as shown on the records maintained by DTC or its nominee. We also expect that payments by participants to owners of beneficial interests in the global security held through such participants will be made in accordance with instructions and customary practices as is now the case with securities held for accounts for customers registered in the names of nominees for the account. However, the responsibility of such participants and indirect participants, and neither we, the trustee nor any paying agent will have any responsibility, in any aspect of the records relating to, or payments made on account of, beneficial ownership interests in any global security or for maintaining, such records relating to such beneficial ownership interests or for any other aspect of the relationship between DTC and its participants or the relationship between DTC and the owners of beneficial interests in the global security.

Unless and until it is exchanged in whole or in part for certificated debt securities, each global security may not be transferred by DTC or its nominee of DTC or by a nominee of DTC to DTC or another nominee of DTC. Transfers between participants in DTC will be effected in accordance with the rules and will be settled in same-day funds.

We expect that DTC will take any action permitted to be taken by a holder of debt securities only at the direction of one or more participants. DTC interests in a global security are credited and only in respect of such portion of the aggregate principal amount of the debt securities as the participants has or have given such direction. However, if there is an event of default under the debt securities, DTC will exchange each global security for debt securities, which it will distribute to its participants.

Although we expect that DTC will agree to the foregoing procedures in order to facilitate transfers of interests in each global security, DTC is under no obligation to perform or continue to perform these procedures.

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to perform such procedures, and such procedures may be discontinued at any time. None of we, the underwriters or the trustee will have any nonperformance by DTC or its participants or indirect participants of their respective obligations under the rules and procedures governing t

The indenture provides that the global securities will be exchanged for debt securities in certificated form of like tenor and of authorized denominations in the following limited circumstances:

- (1) DTC notifies us that it is unwilling or unable to continue as depository or if DTC ceases to be eligible under the indenture depository within 90 days;
- (2) we determine that the debt securities will no longer be represented by global securities and execute and deliver to the trust
- (3) an event of default with respect to the debt securities will have occurred and be continuing.

These certificated debt securities will be registered in such name or names as DTC will instruct the trustee. It is expected that directions received by DTC from participants with respect to ownership of beneficial interests in global securities.

The information in this section of this prospectus concerning DTC and DTC's book-entry system has been obtained from source we do not take responsibility for this information.

### ***Euroclear and Clearstream***

If the depository for a global security is DTC, you may hold interests in the global security through Clearstream Banking, *société* "Clearstream," or Euroclear Bank SA/ NV, as operator of the Euroclear System, which we refer to as "Euroclear," in each case, as a participant. Clearstream will hold interests, in each case, on behalf of their participants through customers' securities accounts in the names of Euroclear or their respective depositories, which in turn will hold such interests in customers' securities in the depositories' names on DTC's books.

Payments, deliveries, transfers, exchanges, notices and other matters relating to the debt securities made through Euroclear or Clearstream will be subject to the rules and procedures of those systems. Those systems could change their rules and procedures at any time. We have no control over those systems and no responsibility for their activities. Transactions between participants in Euroclear or Clearstream, on one hand, and other participants in DTC, on the other, are subject to DTC's rules and procedures.

Investors will be able to make and receive through Euroclear and Clearstream payments, deliveries, transfers, exchanges, notices and interest on any securities held through those systems only on days when those systems are open for business. Those systems may not be open for business on days when other institutions are open for business in the United States.

In addition, because of time-zone differences, U.S. investors who hold their interests in the debt securities through these systems may not be able to transfer their interests, or to receive or make a payment or delivery or exercise any other right with respect to their interests, may find that the next business day in Luxembourg or Brussels, as applicable. Thus, investors who wish to exercise rights that expire on a particular day may not be able to do so on that date. In addition, investors who hold their interests through both DTC and Euroclear or Clearstream may need to make special arrangements to transfer their interests between the U.S. and European clearing systems, and those transactions may settle later than transactions within one clearing system.

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**Governing Law**

The indenture and the debt securities will be governed by, and construed in accordance with, the laws of the State of New York.

**Regarding the Trustee**

The Bank of New York Mellon Trust Company, N.A. is the trustee under the indenture.

The trustee is permitted to engage in transactions, including commercial banking and other transactions, with us and our subsidiaries. If the trustee acquires any conflicting interest it must eliminate such conflict upon the occurrence of an event of default, or else resign.

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### **PLAN OF DISTRIBUTION**

We may sell the debt securities described in this prospectus from time to time in one or more transactions:

- to purchasers directly;
- to underwriters for public offering and sale by them;
- through agents;
- through dealers; or
- through a combination of any of the foregoing methods of sale.

We may sell the debt securities directly to institutional investors or others who may be deemed to be underwriters within the meaning of the Securities Act, in respect to any resale of the debt securities. A prospectus supplement will describe the terms of any sale of debt securities we are offering hereunder by a securities broker-dealer or other financial intermediary.

The applicable prospectus supplement will name any underwriter involved in a sale of debt securities. Underwriters may offer debt securities at a fixed price or prices, which may be changed, or from time to time at market prices or at negotiated prices. Underwriters may be deemed to have received commissions on sales of debt securities in the form of underwriting discounts or commissions and may also receive commissions from purchasers of debt securities who purchase directly from the underwriters. Underwriters may be involved in any at the market offering of debt securities by or on our behalf.

Underwriters may sell debt securities to or through dealers, and such dealers may receive compensation in the form of discounts or commissions from the underwriters and/or commissions (which may be changed from time to time) from the purchasers for whom they may act as agent.

Unless otherwise specified in the applicable prospectus supplement, the obligations of any underwriters to purchase debt securities shall be subject to the conditions precedent, and the underwriters will be obligated to purchase all the debt securities if any are purchased.

The applicable prospectus supplement will set forth whether or not underwriters may over-allot or effect transactions that stabilize the market price of the debt securities at levels above those that might otherwise prevail in the open market, including, for example, by entering into covering transactions or imposing penalty bids.

We will name any agent involved in a sale of debt securities, as well as any commissions payable by us to such agent, in the applicable prospectus supplement. Unless otherwise specified in the applicable prospectus supplement, any such agent will be acting on a reasonable efforts basis for the period of the offering.

If we utilize a dealer in the sale of the debt securities being offered pursuant to this prospectus, we will sell the debt securities to the dealer, who may then resell the debt securities to the public at varying prices to be determined by the dealer at the time of resale.

Underwriters, dealers and agents participating in a sale of the debt securities may be deemed to be underwriters as defined in the Securities Act, and commissions received by them and any profit realized by them on resale of the debt securities may be deemed to be underwriting discounts or commissions under the Securities Act. We may have agreements with underwriters, dealers and agents to indemnify them against certain civil liabilities, including liabilities under the Securities Act, to reimburse them for certain expenses.

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Underwriters or agents and their affiliates may be customers of, engage in transactions with or perform services for us or our business.

Unless otherwise specified in the applicable prospectus supplement, we will not list the debt securities on any securities exchange or in any market. Any underwriters that purchase the debt securities for public offering and sale may make a market in such securities. Such underwriters will not be obligated to do so and may discontinue any market making at any time without notice. We make no assurance as to the liquidity of the markets for any debt securities.

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### **VALIDITY OF THE SECURITIES**

The validity of the securities will be passed upon for us by Simpson Thacher & Bartlett LLP, New York, New York, and, with the assistance of, by Keith R. Dolliver, Esq., our Associate General Counsel, Legal and Corporate Affairs, and Assistant Secretary, and for any underwriters of the securities, by the applicable prospectus supplement.

Mr. Dolliver beneficially owns, or has the right to acquire, an aggregate of less than 0.01% of the common stock of Microsoft Corporation.

### **EXPERTS**

The consolidated financial statements incorporated in this prospectus by reference from Microsoft Corporation's Annual Report on Form 10-K for the year ended June 30, 2012, and the effectiveness of Microsoft Corporation's internal control over financial reporting have been audited by Deloitte & Touche LLP, a registered public accounting firm, as stated in their reports, which are incorporated herein by reference. Such financial statements have been prepared in accordance with the reports of such firm given upon their authority as experts in accounting and auditing.

With respect to the unaudited interim financial information for the fiscal quarters ended September 30, 2012 and 2011, which is incorporated in this prospectus by reference, Deloitte & Touche LLP, an independent registered public accounting firm, have applied limited procedures in accordance with the standards of the American Institute of Certified Public Accountants and the Oversight Board (United States) for a review of such information. However, as stated in their report included in Microsoft Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2012, and incorporated herein by reference, they did not audit and they do not express an opinion on that interim financial information. The degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. We do not intend to rely on the liability provisions of Section 11 of the Securities Act for their report on the unaudited interim financial information because that report is not a registration statement prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Securities Act.

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# Microsoft Corporation

**\$2,250,000,000**

\$600,000,000 0.875% Notes due 2017

\$750,000,000 2.125% Notes due 2022

\$900,000,000 3.500% Notes due 2042

*Joint Book-Running Managers*

**Barclays**

**J.P. Morgan**

**U**

*Senior Co-Managers*

**HSBC**

*Co-Managers*

**Lebenthal Capital Markets**

**Ramirez & Co., Inc.**

**The**