

TENNECO INTERNATIONAL HOLDING CORP

Form 424B2

June 08, 2016

Table of Contents

**Filed Pursuant to Rule 424(b)(2)**

**Registration No. 333-200663**

**CALCULATION OF REGISTRATION FEE**

<b>Title of Class of Securities</b>	<b>Maximum Aggregate</b>	<b>Amount of</b>
<b>to be Registered</b>	<b>Offering Price</b>	<b>Registration Fee</b>
5.00% Senior Notes due 2026	\$500,000,000	\$50,350 (1)
Guarantees of 5.00% Senior Notes due 2026		(2)

(1) The filing fee is calculated in accordance with Rule 457(r) of the Securities Act of 1933, as amended (the Act).

(2) Pursuant to Rule 457(n) of the Act, no separate filing fee is payable in respect of the guarantees.

Table of Contents

**PROSPECTUS SUPPLEMENT**

(to Prospectus dated December 1, 2014)

**Tenneco Inc.**

**\$500,000,000**

**5.00% Senior Notes due 2026**

We are offering \$500,000,000 of our 5.00% Senior Notes due 2026 (the "notes"). We will pay interest on the notes on January 15 and July 15 of each year, beginning January 15, 2017. The notes will mature on July 15, 2026. The notes will be redeemable, in whole or in part, at any time on or after July 15, 2021 and at the redemption prices specified under "Description of the Notes - Redemption" plus accrued and unpaid interest, if any, to, but not including, the redemption date. At any time prior to July 15, 2021, we may, at our option, redeem some or all of the notes at a make-whole price, plus accrued and unpaid interest, if any, to, but not including, the redemption date. We also may redeem up to 35% of the aggregate principal amount of notes prior to July 15, 2019 with the net cash proceeds from certain equity offerings. If we experience certain kinds of changes of control, we must offer to purchase all of the notes outstanding at 101% of the aggregate principal amount of the notes purchased, plus accrued and unpaid interest, if any, to, but not including, the date of purchase.

The notes will be unsecured and will rank equal in right of payment with all of our existing and future unsubordinated indebtedness and will rank senior to all of our existing and future subordinated debt. The notes will be effectively subordinated to all of our existing and future secured indebtedness, to the extent of the value of the assets securing such indebtedness. Each of our existing and future material domestic wholly-owned subsidiaries that guarantee our senior secured credit facility will unconditionally guarantee the notes with guarantees that will be unsecured and rank equal in right of payment to all existing and future unsubordinated indebtedness of such subsidiaries. In addition, the notes will be structurally subordinated to all of the liabilities of our subsidiaries that are not guaranteeing the notes, to the extent of the assets of those subsidiaries.

The notes will be issued only in registered form in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

**Investing in our notes involves risks. See Risk Factors beginning on page S-8 of this prospectus supplement and included in the accompanying prospectus before buying the notes. You should also consider the risk factors described in the documents incorporated by reference into this prospectus supplement and the accompanying prospectus.**

	<b>Per Note</b>	<b>Total</b>
Initial price to public(1)	100.00%	\$ 500,000,000
Underwriting discounts and commissions	1.50%	\$ 7,500,000
Proceeds, before expenses, to us	98.50%	\$ 492,500,000

(1) Plus accrued interest, if any, from June 13, 2016, if settlement occurs after that date.

The notes are a new issue of securities with no established trading market. We do not intend to list the notes on any securities exchange.

**None of the Securities and Exchange Commission, any state securities commission or any other regulatory body has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

We expect that delivery of the notes will be made to investors through the book-entry delivery system of The Depository Trust Company ( DTC ) for the account of its participants, including Clearstream Banking, S.A. ( Clearstream ) and the Euroclear Bank SA/NV ( Euroclear ), on or about June 13, 2016.

*Joint Book-Running Managers*

**BofA Merrill Lynch**

**Barclays**

**Citigroup**

**J.P. Morgan**

**Morgan Stanley**  
*Co-Managers*

**Wells Fargo Securities**

**BB&T Capital Markets BBVA Capital One Securities CIBC Capital Markets COMMERZBANK HSBC**

**KBC SECURITIES USA Mizuho Securities PNC Capital Markets LLC Scotiabank SMBC Nikko US Bancorp**

The date of this prospectus supplement is June 6, 2016.

Table of Contents

**TABLE OF CONTENTS**

**Prospectus Supplement**

<u>ABOUT THIS PROSPECTUS SUPPLEMENT</u>	S-ii
<u>FORWARD-LOOKING STATEMENTS</u>	S-ii
<u>DOCUMENTS INCORPORATED BY REFERENCE</u>	S-iv
<u>TRADEMARKS AND TRADE NAMES</u>	S-v
<u>MARKET AND INDUSTRY DATA</u>	S-v
<u>PROSPECTUS SUPPLEMENT SUMMARY</u>	S-1
<u>RISK FACTORS</u>	S-8
<u>USE OF PROCEEDS</u>	S-14
<u>CAPITALIZATION</u>	S-15
<u>DESCRIPTION OF THE NOTES</u>	S-16
<u>BOOK-ENTRY, DELIVERY AND FORM OF NOTES</u>	S-43
<u>CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS</u>	S-46
<u>UNDERWRITING</u>	S-50
<u>LEGAL MATTERS</u>	S-54

**Prospectus**

<u>ABOUT THIS PROSPECTUS</u>	<b>Page</b> 1
<u>DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS</u>	1
<u>DOCUMENTS INCORPORATED BY REFERENCE INTO THIS PROSPECTUS</u>	2
<u>THE COMPANY</u>	2
<u>CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES</u>	3
<u>RISK FACTORS</u>	3
<u>USE OF PROCEEDS</u>	3
<u>DESCRIPTION OF DEBT SECURITIES</u>	3
<u>PLAN OF DISTRIBUTION</u>	6
<u>LEGAL MATTERS</u>	6
<u>EXPERTS</u>	6
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	6

**You should rely only on the information contained in or incorporated by reference in this prospectus supplement or the accompanying prospectus and any free writing prospectus we have authorized for use in connection with this offering. We have not, and the underwriters have not, authorized any other person to provide you with information that is different. If anyone provides you with different or inconsistent information, you should not rely on it. 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. You should not assume that the information contained in this prospectus supplement, the accompanying prospectus, any free writing prospectus or the**

**documents incorporated by reference in this prospectus supplement, the accompanying prospectus or any free writing prospectus is accurate as of any date other than their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.**

**Before you invest in our notes, you should read the registration statement described in the accompanying prospectus (including the exhibits thereto) of which this prospectus supplement and the accompanying prospectus form a part, as well as this prospectus supplement, the accompanying prospectus and the documents incorporated by reference into this prospectus supplement and the accompanying prospectus. The documents incorporated by reference are described under Documents incorporated by reference in this prospectus supplement and Where you can find more information in the accompanying prospectus.**

S-i

**Table of Contents**

**ABOUT THIS PROSPECTUS SUPPLEMENT**

This document is in two parts. The first part is the prospectus supplement, which describes the specific terms of the notes we are offering and certain other matters relating to us and our financial condition. The second part, the accompanying prospectus, gives more general information about securities we may offer from time to time, some of which may not apply to the notes we are offering. You should read this prospectus supplement along with the accompanying prospectus, as well as the documents incorporated by reference. If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

**FORWARD-LOOKING STATEMENTS**

Certain statements in this prospectus supplement or the documents incorporated by reference into this prospectus supplement constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, concerning, among other things, the prospects and developments of our company and business strategies for our operations, all of which are subject to risks and uncertainties. These forward-looking statements are included in various sections of this prospectus supplement and the documents incorporated by reference herein. They are identified as forward-looking statements or by their use of terms (and variations thereof) such as will, may, can, anticipate, intend, continue, estimate, expect, plan, should, outlook, believe and seek, and similar thereof) and phrases.

Our actual results may differ materially from those anticipated in these forward-looking statements. These forward-looking statements are affected by risks, uncertainties and assumptions that we make, including among other things, the factors that are described in Risk Factors and:

general economic, business and market conditions;

our ability to source and procure needed materials, components and other products and services in accordance with customer demand and at competitive prices;

the cost and outcome of existing and any future claims, legal proceedings or investigations, including, but not limited to, any of the foregoing arising in connection with the ongoing global antitrust investigation, product performance, product safety or intellectual property rights;

changes in capital availability or costs, including increases in our cost of borrowing (i.e., interest rate increases), the amount of our debt, our ability to access capital markets at favorable rates, and the credit ratings of our debt;

changes in consumer demand, prices and our ability to have our products included on top selling vehicles, including any shifts in consumer preferences away from light trucks, which tend to be higher margin products for our customers and us, to other lower margin vehicles, for which we may or may not have supply arrangements;

changes in consumer demand for our automotive, commercial or aftermarket products, or changes in automotive and commercial vehicle manufacturers' production rates and their actual and forecasted requirements for our products, due to difficult economic conditions, such as the prolonged recession in Europe;

the overall highly competitive nature of the automobile and commercial vehicle parts industries, and any resultant inability to realize the sales represented by our awarded book of business (which is based on anticipated pricing and volumes over the life of the applicable program);

the loss of any of our large original equipment manufacturer ( OEM ) customers (on whom we depend for a substantial portion of our revenues), or the loss of market shares by these customers if we are unable to achieve increased sales to other OEMs or any change in customer demand due to delays in the adoption or enforcement of worldwide emissions regulations;

S-ii

**Table of Contents**

our ability to successfully execute cash management and other cost reduction plans, including our current European cost reduction initiatives, and to realize anticipated benefits from these plans;

economic, exchange rate and political conditions in the countries where we operate or sell our products;

industrywide strikes, labor disruptions at our facilities or any labor or other economic disruptions at any of our significant customers or suppliers or any of our customers' other suppliers;

increases in the costs of raw materials, including our ability to successfully reduce the impact of any such cost increases through materials substitutions, cost reduction initiatives, customer recovery and other methods;

the negative impact of fuel price volatility on transportation and logistics costs, raw material costs, discretionary purchases of vehicles or aftermarket products and demand for off-highway equipment;

the cyclical nature of the global vehicle industry, including the performance of the global aftermarket sector and the impact of vehicle parts' longer product lives;

costs related to product warranties and other customer satisfaction actions;

the failure or breach of our information technology systems, including the consequences of any misappropriation, exposure or corruption of sensitive information stored on such systems and the interruption to our business that such failure or breach may cause;

the impact of consolidation among vehicle parts suppliers and customers on our ability to compete;

changes in distribution channels or competitive conditions in the markets and countries where we operate, including the impact of increasing competition from lower-cost, private-label products on our aftermarket business;

customer acceptance of new products;

new technologies that reduce the demand for certain of our products or otherwise render them obsolete;

our ability to introduce new products and technologies that satisfy customers' needs in a timely fashion;

our ability to realize our business strategy of improving operating performance;

our ability to successfully integrate any acquisitions that we complete and effectively manage our joint ventures and other third-party relationships;

changes by the Financial Accounting Standards Board or the Securities and Exchange Commission (the SEC) of authoritative generally accepted accounting principles or policies;

changes in accounting estimates and assumptions, including changes based on additional information;

any changes by the International Organization for Standardization (ISO) or other such committees in their certification protocols for processes and products, which may have the effect of delaying or hindering our ability to bring new products to market;

the impact of the extensive, increasing and changing laws and regulations to which we are subject, including environmental laws and regulations, which may result in our incurrence of environmental liabilities in excess of the amount reserved;

the potential impairment in the carrying value of our long-lived assets and goodwill or our deferred tax assets;

potential volatility in our effective tax rate;

natural disasters, such as earthquakes and flooding, and any resultant disruptions in the supply or production of goods or services to us or by us or in demand by our customers;

S-iii

**Table of Contents**

acts of war and/or terrorism, as well as actions taken or to be taken by the United States and other governments as a result of further acts or threats of terrorism, and the impact of these acts on economic, financial and social conditions in the countries where we operate; and

the timing and occurrence (or non-occurrence) of other transactions, events and circumstances which may be beyond our control.

The risks included here are not exhaustive. Refer to Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, as updated by our subsequent Quarterly Report on Form 10-Q, our Current Reports on Form 8-K and the other documents incorporated by reference herein, for further discussion regarding our exposure to risks.

Where, in any forward-looking statement, we or our management expresses an expectation or belief as to future results, we express that expectation or belief in good faith and believe it has a reasonable basis, but we can give no assurance that the statement of expectation or belief will result or be achieved or accomplished.

You should be aware that any forward-looking statement made by us in this prospectus supplement or in the documents incorporated by reference into this prospectus supplement or the accompanying prospectus, or elsewhere, speaks only as of the date on which we make it. New risks and uncertainties come up from time to time, and it is impossible for us to predict these events or how they may affect us. Except as otherwise required to be disclosed in periodic reports required to be filed by public companies with the SEC pursuant to the SEC's rules, we have no duty to update or revise these forward-looking statements. In light of these risks and uncertainties, you should keep in mind that any scenarios or results contained in any forward-looking statement made in this prospectus supplement or the accompanying prospectus or in the documents incorporated by reference into this prospectus supplement or the accompanying prospectus or elsewhere might not occur.

**DOCUMENTS INCORPORATED BY REFERENCE**

The SEC allows us to incorporate by reference information from other documents that we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus supplement. Information in this prospectus supplement supersedes information incorporated by reference that we filed with the SEC prior to the date of this prospectus supplement.

We incorporate by reference into this prospectus supplement and the accompanying prospectus the information or documents listed below that we have filed with the SEC:

our Annual Report on Form 10-K for the year ended December 31, 2015, filed with the SEC on February 24, 2016;

our Definitive Proxy Statement on Schedule 14A, filed with the SEC on April 1, 2016;

our Quarterly Report on Form 10-Q for the quarter ended March 31, 2016, filed with the SEC on May 6, 2016; and

our Current Reports on Form 8-K or 8-K/A (other than portions thereof furnished pursuant to Item 2.02 or Item 7.01 of Form 8-K), filed with the SEC on January 5, 2016, February 5, 2016, February 9, 2016, May 19, 2016, June 3, 2016 and June 6, 2016.

In addition, all documents filed by us with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act ) (other than those furnished pursuant to Item 2.02 or Item 7.01 of Form 8-K, unless otherwise stated therein) after the date of this prospectus supplement and prior to the termination of this offering will be incorporated by reference into this prospectus supplement and the accompanying prospectus and will be considered a part of this prospectus supplement and the accompanying prospectus from the date on which any such document is filed.

S-iv

**Table of Contents**

**TRADEMARKS AND TRADE NAMES**

We hold a number of domestic and foreign patents and trademarks relating to our products and businesses. We manufacture and distribute our aftermarket products primarily under the Walker<sup>®</sup> and Monroe<sup>®</sup> brand names, which are well-recognized in the marketplace and are registered trademarks. We also market certain of our clean air products to OE manufacturers under the names Solid SCR and XNOx. The patents, trademarks and other intellectual property owned by or licensed to us are important in the manufacturing, marketing and distribution of our products. Other trademarks, service marks and trade names appearing in this prospectus supplement are the property of their respective owners. Solely for convenience, trademarks and trade names referred to in this prospectus supplement may appear without the <sup>®</sup> or symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensor to these trademarks and trade names.

**MARKET AND INDUSTRY DATA**

In addition to the industry, market and competitive position data referenced throughout this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein or therein that are derived from our own internal estimates and research, some market data and other statistical information used throughout this prospectus supplement, the accompanying prospectus or documents incorporated by reference herein and therein are based in part upon third-party industry publications, studies and surveys, which generally state that they have been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. While we believe that each of these publications, studies and surveys is prepared by reputable sources, we have not independently verified market and industry data from third-party sources. Estimates are inherently uncertain, involve risks and uncertainties and are subject to change based on various factors, including those discussed under the caption Risk Factors in this prospectus supplement and the accompanying prospectus.

S-v

**Table of Contents**

**PROSPECTUS SUPPLEMENT SUMMARY**

*This summary highlights selected information contained elsewhere in this prospectus supplement or incorporated by reference in this prospectus supplement. It is not complete and does not contain all of the information that you should consider before making an investment decision. We urge you to read all of this prospectus supplement, the accompanying prospectus and the documents incorporated by reference carefully, including the financial statements and notes to those financial statements incorporated by reference. Please read *Risk Factors* for more information about important risks that you should consider before investing in the notes. Unless otherwise indicated or the context otherwise requires, when we refer to *Tenneco*, *we*, *us*, *our* and *ours*, we are describing *Tenneco Inc.*, together with its subsidiaries.*

**Our Company**

We are one of the world's leading manufacturers of clean air and ride performance products and systems for light vehicle, commercial truck and off-highway applications. We serve both original equipment (OE) vehicle designers and manufacturers and the repair and replacement markets, or aftermarket, globally through leading brands, including Monroe<sup>®</sup>, Rancho<sup>®</sup>, Clevite<sup>®</sup> Elastomers, Axios<sup>®</sup>, Kineti<sup>®</sup> and Fric-Rot<sup>®</sup> ride performance products and Walker<sup>®</sup>, XNOx<sup>®</sup>, Fonos<sup>®</sup>, DynoMa<sup>®</sup> and Thrush<sup>®</sup> clean air products. We serve more than 80 different original equipment manufacturers and commercial truck and off-highway engine manufacturers, and our products are included on nine of the top 10 car models produced for sale in Europe and eight of the top 10 light truck models produced for sale in North America for 2015. Our aftermarket customers are comprised of full-line and specialty warehouse distributors, retailers, jobbers, installer chains and car dealers. As of December 31, 2015, we operated 93 manufacturing facilities worldwide and employed approximately 30,000 people to service our customers' demands.

We were incorporated in the state of Delaware in 1996. Our principal executive offices are located at 500 North Field Drive, Lake Forest, Illinois 60045. Our telephone number is (847) 482-5000 and our website can be accessed at [www.tenneco.com](http://www.tenneco.com). Information contained on our website does not constitute part of this prospectus supplement or the accompanying prospectus.

**Recent Developments**

*Tender Offer*

On June 6, 2016, we launched a tender offer to purchase for cash, subject to certain terms and conditions, any and all of our \$500 million 6<sup>7</sup>/<sub>8</sub>% Senior Notes due 2020 (the "6<sup>7</sup>/<sub>8</sub>% senior notes"). Holders who validly tender (and do not validly withdraw) their 6<sup>7</sup>/<sub>8</sub>% senior notes prior to 5:00 p.m., New York City time, on June 10, 2016, unless such date is extended or earlier terminated, or who deliver to the depositary and information agent a properly completed and duly executed notice of guaranteed delivery, will be eligible to receive in cash \$1,038.10 for each \$1,000 principal amount of 6<sup>7</sup>/<sub>8</sub>% senior notes that are accepted for payment, plus accrued and unpaid interest to, but not including, the settlement date, which is expected to be June 13, 2016. The tender offer will be made solely by the Offer to Purchase related thereto.

This offering is not conditioned upon the consummation of the tender offer. This prospectus supplement relates only to the offering of the notes and is not an offer to purchase or a solicitation of an offer to sell any 6<sup>7</sup>/<sub>8</sub>% senior notes. We cannot assure you that the tender offer will be consummated in accordance with its terms, or at all, or that a significant principal amount of the 6<sup>7</sup>/<sub>8</sub>% senior notes will be retired and cancelled pursuant to the tender offer.

We currently intend to exercise our right under the indenture governing the 6 <sup>7</sup>/<sub>8</sub>% senior notes to redeem any such notes that remain outstanding after the tender offer at 103.438% of the principal amount, plus accrued and

S-1

**Table of Contents**

unpaid interest, although we have no legal obligation to do so and selection of any particular redemption date is in our discretion. This prospectus supplement shall not constitute a notice of redemption under the indenture governing the 6 <sup>7</sup>/<sub>8</sub>% senior notes. Any such notice, if made, will only be made in accordance with the provisions of such indenture.

If fully subscribed as of 5:00 p.m., New York City time, on June 10, 2016, we expect that the tender offer will cost approximately \$536 million (including estimated fees and expenses related to the tender offer and accrued and unpaid interest up to the date of payment) and we expect to record a charge in the second quarter of approximately \$25 million in respect of the purchase of our 6 <sup>7</sup>/<sub>8</sub>% senior notes.

In connection with the tender offer, we have retained Bank of America Merrill Lynch as dealer manager.

---

**Table of Contents****The Offering**

The following summary contains basic information about the notes and is not intended to be complete. It may not contain all of the information that is important to you. Certain terms and conditions described below are subject to important limitations and exceptions. For a more complete description of the terms of the notes, see the Description of the Notes section of this prospectus supplement.

Issuer	Tenneco Inc.
Notes Offered	\$500,000,000 aggregate principal amount of 5.00% Senior Notes due 2026
Maturity Date	July 15, 2026
Interest Rate	Annual rate: 5.00%, accruing from June 13, 2016.
Interest Payment Date	Payment frequency: every six months on January 15 and July 15.  First payment: January 15, 2017
Subsidiary Guarantees	Each of our material domestic wholly-owned subsidiaries that guarantee our senior secured credit facility will also unconditionally guarantee the notes. These subsidiary guarantees will be general senior obligations of the guarantors and will rank equal in right of payment with all other existing and future unsubordinated indebtedness of the respective guarantors and senior in right of payment to existing and future subordinated indebtedness of the respective guarantors. The subsidiary guarantees will not be secured by any assets of the guarantors. Subject to limited exceptions, future domestic subsidiaries will also be required to guarantee the notes in certain circumstances, including if they also guarantee our senior secured credit facility.
Ranking	The notes and the subsidiary guarantees will be general senior obligations of us and the guarantors and will rank equal in right of payment with all other existing and future unsubordinated indebtedness of us and the guarantors and senior in right of payment to all existing and future subordinated indebtedness. The notes and the subsidiary guarantees will not be secured by any assets of us or the guarantors. Accordingly, the notes and the subsidiary guarantees will

be effectively junior in right of payment to all existing and future senior secured debt of us and the guarantors to the extent of the value of the collateral securing such indebtedness. The notes will also be effectively junior in right of payment to all existing and future liabilities, including trade payables, of our foreign subsidiaries, which will not guarantee the notes, and of those of our domestic subsidiaries that do not guarantee the notes.

As of March 31, 2016, on an as adjusted basis after giving effect to this offering and the use of proceeds therefrom, we would have had outstanding:

\$500 million of notes offered hereby;

S-3

**Table of Contents**

\$965 million of other unsubordinated indebtedness, including \$614 million of loans outstanding under our senior secured credit facility, comprised of \$281 million of tranche A term loans and \$333 million of revolving loans, and no outstanding letters under the revolving credit facility, which amounts under our senior secured credit facility are secured and guaranteed on a senior secured basis by our material domestic wholly-owned subsidiaries, which would have been effectively senior in right of payment to the notes offered hereby to the extent of the value of the collateral securing such indebtedness; and

\$867 million of unused capacity under the revolving credit facility, all of which is secured and guaranteed on a senior secured basis by our material domestic wholly-owned subsidiaries and all of which, if drawn, would have been effectively senior in right of payment to the notes offered hereby to the extent of the value of the collateral securing such indebtedness.

As of, and for the three months ended, March 31, 2016, and the year ended December 31, 2015, the non-guarantor subsidiaries represented approximately 71 percent and 70 percent, respectively, of our consolidated assets (excluding intercompany assets), approximately 53 percent and 55 percent, respectively, of our consolidated net sales (excluding intercompany sales) and approximately 52 percent and 39 percent, respectively, of our consolidated operating income.

As of March 31, 2016, on an as adjusted basis after giving effect to this offering and the use of proceeds therefrom, our non-guarantor subsidiaries would have had \$1,480 million of liabilities outstanding on their balance sheets (excluding intercompany liabilities).

The foregoing amounts do not include \$500 million of the 6 <sup>7</sup>/<sub>8</sub>% senior notes that will be purchased or redeemed using the net proceeds of the offering of the notes and cash on hand or available liquidity.

**Optional Redemption**

We may, at our option, redeem some or all of the notes at any time on or after July 15, 2021 at certain fixed redemption prices, plus accrued and unpaid interest, if any, to, but not including, the redemption date.

At any time prior to July 15, 2021, we may, at our option, redeem some or all of the notes at a make-whole price, plus accrued and unpaid interest, if any, to, but not including, the redemption date.

In addition, prior to July 15, 2019, we may, at our option, redeem up to 35% of the aggregate principal amount of the notes with the net cash proceeds of certain equity offerings at certain redemption prices, plus accrued and unpaid interest, if any, to, but not including, the redemption date.

S-4

**Table of Contents**

The redemption prices and the calculation of the make-whole price are described in the section [Description of the Notes](#) [Redemption](#).

**Change of Control**

Upon the occurrence of a change of control (as defined under [Description of the Notes](#) [Change of Control](#) in this prospectus supplement), we will be required to make an offer to purchase the notes. The purchase price will equal 101% of the principal amount of the notes on the date of purchase, plus accrued and unpaid interest, if any, to, but not including, the date of purchase. We may not have enough funds available at the time of a change of control to make any required debt payment (including purchases of the notes).

**Certain Covenants**

The indenture governing the notes contains certain covenants that will, among other things, limit our ability and the ability of our domestic subsidiaries to:

create liens; and  
enter into sale and leaseback transactions.

These covenants are subject to a number of important qualifications and limitations. In particular, there are no restrictions on our ability or the ability of our subsidiaries to incur additional indebtedness, make restricted payments, pay dividends or make distributions to our shareholders, purchase or redeem our equity interests, enter into transactions with affiliates or make advances to, or invest in, other entities (including unaffiliated entities). See [Description of the Notes](#) [Certain Covenants](#).

**Use of Proceeds**

We intend to use the proceeds of this offering, net of related fees and expenses, together with cash on hand or available liquidity, to purchase or redeem any and all of our outstanding \$500 million 6 <sup>7</sup>/<sub>8</sub>% senior notes and to pay fees, premiums, expenses and unpaid and accrued interest related to the tender offer or redemption. This offering is not conditioned upon the consummation of the tender offer. See [Use of Proceeds](#).

**Risk Factors**

You should carefully consider the information set forth under [Risk Factors](#) before deciding to invest in the notes.

S-5

**Table of Contents****Summary Historical Consolidated Financial Data**

The following summary historical consolidated financial data as of and for the years ended December 31, 2013, 2014 and 2015 were derived from the audited financial statements of Tenneco Inc. and its consolidated subsidiaries. The following summary historical consolidated financial data as of and for each of the three months ended March 31, 2016 and 2015 were derived from our unaudited condensed financial statements. In our opinion, the summary historical consolidated financial data as of and for the three months ended March 31, 2016 and 2015 include all adjusting entries, consisting only of normal recurring adjustments, necessary to present fairly the information set forth therein.

The following information should be read in conjunction with Use of Proceeds, Capitalization and our historical consolidated financial statements and the related notes and Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015 and our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016, incorporated by reference herein.

	<b>Year Ended December 31,</b>			<b>Three Months</b>	
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>Ended March 31,</b>	<b>2015</b>
	<b>(Millions except share and per share amounts)</b>			<b>2016</b>	<b>2016</b>
	<b>(audited)</b>			<b>(unaudited)</b>	
<b>Statements of income data:</b>					
Net sales and operating revenues	\$7,964	\$8,420	\$8,209	\$2,023	\$2,136
Cost of sales (exclusive of depreciation and amortization shown below)	6,734	7,025	6,845	1,686	1,770
Engineering, research and development	144	169	146	41	39
Selling, general and administrative	453	519	491	125	147
Depreciation and amortization of intangibles	205	208	203	50	54
Other income (expense)	(4)	(7)	(5)	(1)	(2)
Earnings before interest expense, income taxes, and noncontrolling interests	424	492	519	120	124
Interest expense	80	91	67	16	18
Income tax expense	122	131	149	41	34
Net income	\$222	\$270	\$303	\$63	\$72
Less: Net income attributable to noncontrolling interests	39	44	56	14	15
Net income attributable to Tenneco, Inc.	\$183	\$226	\$247	\$49	\$57
<b>Balance sheet data:</b>					
Total assets	\$3,830	\$3,996	\$3,967	\$4,151	\$4,348
Short-term debt	83	60	86	132	97
Long-term debt	1,019	1,055	1,124	1,140	1,311
Redeemable noncontrolling interests	20	35	43	43	51

Total Tenneco Inc. shareholders equity	433	497	433	474	505
--	-----	-----	-----	-----	-----