

TURNER BROADCASTING SYSTEM INC

Form 424B5

June 11, 2012

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**CALCULATION OF REGISTRATION FEE**

<b>Title of each Class of Securities to be</b>	<b>Amount to be</b>	<b>Maximum Offering</b>	<b>Maximum Aggregate</b>	<b>Amount of</b>
<b>Registered</b>	<b>Registered</b>	<b>Price</b>	<b>Offering Price</b>	<b>Registration Fee(1)</b>
3.40% Notes due 2022	\$500,000,000	99.857%	\$499,285,000	\$57,219
4.90% Debentures due 2042	\$500,000,000	98.929%	\$494,645,000	\$56,687
Total				\$113,906

(1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933

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**Filed Pursuant to Rule 424(b)(5)  
File No. 333-165156**

**PROSPECTUS SUPPLEMENT**

**(To Prospectus Dated March 3, 2010)**

**\$1,000,000,000**

**\$500,000,000 3.40% Notes due 2022**

**\$500,000,000 4.90% Debentures due 2042**

The notes and the debentures will be issued by Time Warner Inc. The notes and debentures will be guaranteed by Historic TW Inc. In addition, Home Box Office, Inc. and Turner Broadcasting System, Inc. will guarantee Historic TW Inc.'s guarantee of the notes and the debentures. We use the term "notes" to refer to the 3.40% Notes due 2022 and the term "debentures" to refer to the 4.90% Debentures due 2042. We use the terms "debt securities" and "securities" to refer to both the notes and the debentures.

The notes will mature on June 15, 2022 and the debentures will mature on June 15, 2042. Interest on each series of securities will be payable semi-annually in arrears on June 15 and December 15 of each year, beginning on December 15, 2012. We may redeem some or all of the notes and the debentures at any time or from time to time, as a whole or in part at our option, at the applicable redemption prices set forth under the heading "Description of the Notes and the Debentures - Optional Redemption."

The securities will be senior unsecured obligations of Time Warner Inc. and will rank equally with all of Time Warner Inc.'s other existing and future senior unsecured obligations. The guarantees will be the senior unsecured obligations of the applicable guarantor and will rank equally with all other senior unsecured obligations of the applicable guarantor.

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

**Investing in the securities involves risks. See Risk Factors beginning on page S-3 of this prospectus supplement.**

**Public Offering  
Price(1)**

**Underwriting  
Discount**

**Proceeds Before  
Expenses to**

			<b>Time Warner</b>
Per Note due 2022	99.857%	0.450%	99.407%
Total	\$ 499,285,000	\$ 2,250,000	\$ 497,035,000
Per Debenture due 2042	98.929%	0.875%	98.054%
Total	\$ 494,645,000	\$ 4,375,000	\$ 490,270,000

(1) Plus accrued interest from June 13, 2012, if settlement occurs after that date.

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

Delivery of the securities in book-entry form only will be made through The Depository Trust Company, Clearstream Banking S.A. Luxembourg and the Euroclear System, on or about June 13, 2012 against payment in immediately available funds.

*Joint Book-Running Managers*

**BofA Merrill Lynch**

**Barclays**

**BNP PARIBAS**

**Citigroup**

**Goldman, Sachs & Co.**

**J.P. Morgan**

**Morgan Stanley**

**RBS**

**Santander**

**Wells Fargo Securities**

*Senior Co-Managers*

**BNY Mellon Capital Markets, LLC**

**Credit Agricole CIB**

**Credit Suisse**

**Deutsche Bank Securities**

**Lloyds Securities**

**Mitsubishi UFJ Securities**

**Mizuho Securities**

**Ramirez & Co., Inc.**

**Scotiabank**

**SMBC Nikko**

**The Williams Capital Group, L.P.**

**UBS Investment Bank**

**The date of this Prospectus Supplement is June 8, 2012**

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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 securities that we are currently offering. The second part is the accompanying prospectus, which gives more general information, some of which may not apply to the securities that we are currently offering. Generally, the term "prospectus" refers to both parts combined.

This prospectus supplement supplements disclosure in the accompanying prospectus. If the information varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

**You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus or in any applicable free writing prospectus. No person is authorized to provide you with different information or to offer the securities in any state or other jurisdiction where the offer is not permitted. You should not assume that the information provided by this prospectus supplement, the accompanying prospectus or in any applicable free writing prospectus is accurate as of any date other than the date of the applicable document.**

References to "Time Warner," the "Company," "our company," "we," "us" and "our" in this prospectus supplement are references to Time Warner Inc. Historic TW Inc. is referred to herein as "Historic TW." Home Box Office, Inc. is referred to herein as "HBO." Turner Broadcasting System, Inc. is referred to herein as "TBS," and, together with Historic TW and HBO, the "Guarantors." Terms used in this prospectus supplement that are otherwise not defined will have the meanings given to them in the accompanying prospectus.

The securities are being offered only for sale in jurisdictions where it is lawful to make such offers. The distribution of this prospectus supplement and the accompanying prospectus and the offering of the securities in some jurisdictions may be restricted by law. Persons who receive this prospectus supplement and the accompanying prospectus should inform themselves about and observe any such restrictions. This prospectus supplement and the accompanying prospectus do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation. See "Underwriting" beginning on page S-18 of this prospectus supplement.

**INCORPORATION BY REFERENCE**

The Securities and Exchange Commission (the "SEC") allows us to incorporate by reference information we have filed with it, which means that we can disclose important information to you by referring you to those documents. The information we incorporate by reference is an important part of this prospectus, and later information that we file with the SEC will automatically update and supersede this information. The following documents have been filed by us with the SEC and are incorporated by reference into this prospectus:

Annual report on Form 10-K for the year ended December 31, 2011 (filed February 24, 2012);

Quarterly report on Form 10-Q for the quarter ended March 31, 2012 (filed May 2, 2012); and

Current reports on Form 8-K dated May 15, 2012 (filed May 21, 2012) and April 17, 2012 (filed June 8, 2012).

All documents and reports that we file with the SEC (other than any portion of such filings that are furnished under applicable SEC rules rather than filed) under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), from the date of this prospectus supplement until the termination of the offering under this prospectus supplement shall be deemed to be incorporated in this prospectus supplement by reference. The information contained on our website (<http://www.timewarner.com>) is not incorporated into this prospectus supplement.

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You may request a copy of these filings, other than an exhibit to these filings unless we have specifically included or incorporated that exhibit by reference into the filing, from the SEC as described under "Where You Can Find More Information" in the accompanying prospectus or, at no cost, by writing or telephoning Time Warner at the following address or telephone number:

Time Warner Inc.

Attn: Investor Relations

One Time Warner Center

New York, NY 10019-8016

Telephone: 1-866-INFO-TWX

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any applicable free writing prospectus. We have not, and the underwriters have not, authorized any person, including any salesman or broker, to provide information other than that provided in this prospectus supplement, the accompanying prospectus or any applicable free writing prospectus. We have not, and the underwriters have not, authorized anyone to provide you with different information. We are not making an offer of the securities in any jurisdiction where the offer is not permitted.

You should assume that the information in this prospectus supplement, the accompanying prospectus and any applicable free writing prospectus is accurate only as of the date on its cover page and that any information we have incorporated by reference is accurate only as of the date of the document incorporated by reference. Any statement contained in a document incorporated or deemed to be incorporated by reference into this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or any other subsequently filed document that is deemed to be incorporated by reference into this prospectus modifies or supersedes the statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

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**SUMMARY**

**Time Warner**

Time Warner, a Delaware corporation, is a leading media and entertainment company. The Company classifies its businesses into the following three reporting segments:

Networks, consisting principally of cable television networks, premium pay and basic tier television services and digital media properties;

Film and TV Entertainment, consisting principally of feature film, television, home video and videogame production and distribution; and

Publishing, consisting principally of magazine publishing and related websites as well as book publishing, marketing services and other marketing businesses.

For a description of our business, financial condition, results of operations and other important information regarding us, see our filings with the SEC incorporated by reference herein. For instructions on how to find copies of these and our other filings incorporated by reference herein, see [Incorporation by Reference](#) above or [Where You Can Find More Information](#) in the accompanying prospectus.

Our principal executive office, and that of the Guarantors except as noted below, is located at One Time Warner Center, New York, NY 10019-8016, telephone (212) 484-8000.

**Guarantors**

Historic TW is a wholly owned subsidiary of Time Warner. Historic TW is a holding company with substantially the same business interests as Time Warner. It derives its operating income and cash flow from its investments in its subsidiaries, which include HBO, TBS, Warner Bros. Entertainment Inc. and Time Inc.

HBO is a wholly owned subsidiary of Time Warner. It derives its operating income and cash flow from its own operations and also from its subsidiaries and investments. The primary activities of HBO and its subsidiaries include the operation of the HBO and Cinemax premium pay television services, with the HBO service ranking as the most widely distributed multi-channel premium pay television service in the United States. The principal executive office of HBO is located at 1100 Avenue of the Americas, New York, NY 10036-6712, telephone (212) 512-1000.

TBS is a wholly owned indirect subsidiary of Time Warner. It derives its operating income and cash flow from its own operations and also from its subsidiaries and investments. The primary activities of TBS and its subsidiaries include the operation of cable networks in the United States and internationally. The principal executive office of TBS is located at One CNN Center, Atlanta, GA 30303, telephone (404) 827-1700.

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**The Offering**

*The summary below describes the principal terms of the securities offering and is not intended to be complete. You should carefully read the Description of the Notes and the Debentures section of this prospectus supplement and Description of the Debt Securities and the Guarantees in the accompanying prospectus for a more detailed description of the securities offered hereby.*

Issuer	Time Warner Inc.
Securities	\$500,000,000 aggregate principal amount of 3.40% Notes due 2022  \$500,000,000 aggregate principal amount of 4.90% Debentures due 2042
Maturity Dates	3.40% Notes: June 15, 2022  4.90% Debentures: June 15, 2042
Interest Payment Dates	June 15 and December 15 of each year, commencing December 15, 2012
Guarantees	The securities will be fully, irrevocably and unconditionally guaranteed by Historic TW. In addition, HBO and TBS will fully, irrevocably and unconditionally guarantee Historic TW's guarantee of the securities.
Ranking	The securities will be our senior unsecured obligations, and will rank equally with our other senior unsecured obligations.  The guarantees will be senior unsecured obligations of Historic TW, HBO and TBS, as applicable, and will rank equally with other senior unsecured obligations of Historic TW, HBO and TBS, respectively.
Optional Redemption	We may redeem some or all of the securities at any time or from time to time, as a whole or in part, at our option, at the applicable redemption prices described in this prospectus supplement.
Use of Proceeds	We intend to use the proceeds from this offering for general corporate purposes.
No Listing	We do not intend to apply for the listing of the securities on any securities exchange or for the quotation of the securities on any automated dealer quotation system.



Trustee

The Bank of New York Mellon

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**RISK FACTORS**

*Investing in the securities involves risks. Before purchasing any securities, you should carefully consider the specific factors discussed below, together with all the other information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein or therein. For a further discussion of the risks, uncertainties and assumptions relating to our business, please see the discussion under the caption "Risk Factors" included in our Annual Report on Form 10-K for the year ended December 31, 2011, as updated by annual, quarterly and other reports and documents we file with the SEC which are incorporated by reference in this prospectus supplement and the accompanying prospectus.*

**Risks Related to the Securities**

***An increase in interest rates could result in a decrease in the relative value of the securities.***

In general, as market interest rates rise, securities bearing interest at a fixed rate generally decline in value because the premium, if any, over market interest rates will decline. Consequently, if you purchase these securities and market interest rates increase, the market value of your securities may decline. We cannot predict the future level of market interest rates.

***Ratings of the securities may not reflect all risks of an investment in the securities.***

We expect that the securities will be rated by at least one nationally recognized statistical rating organization. The ratings of the securities will primarily reflect our financial strength and will change in accordance with the rating of our financial strength. A debt rating is not a recommendation to purchase, sell or hold the securities. These ratings do not correspond to suitability for a particular investor. Additionally, ratings may be lowered or withdrawn in their entirety at any time.

***The securities do not restrict our ability to incur additional debt or prohibit us from taking other actions that could negatively impact holders of the securities.***

We are not restricted under the terms of the indenture governing the securities from incurring additional indebtedness. The terms of the indenture limit our ability to secure additional debt without also securing the securities. However, these limitations are subject to numerous exceptions. See "Description of the Debt Securities and the Guarantees" in the accompanying prospectus. In addition, the securities do not require us to achieve or maintain any minimum financial ratios. Our ability to recapitalize, incur additional debt, secure existing or future debt or take a number of other actions that are not limited by the terms of the indenture, including repurchasing other debt securities or common shares or preferred shares, if any, redeeming other debt securities or paying dividends, could have the effect of diminishing our ability to make payments on the securities when due.

***Our financial performance and other factors could adversely impact our ability to make payments on the securities.***

Our ability to make scheduled payments with respect to our indebtedness, including the securities, will depend on our financial and operating performance, which, in turn, are subject to prevailing economic conditions and to financial, business and other factors beyond our control.

***The securities will be unsecured and therefore will effectively be subordinated to any secured debt.***

The securities will not be secured by any of our assets or those of our subsidiaries. As a result, the securities are effectively subordinated to any secured debt we may incur. In any liquidation, dissolution, bankruptcy or other similar proceeding, the holders of our secured debt may assert rights against the secured assets in order to receive full payment of their debt before the assets may be used to pay the holders of the securities.

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*The securities are effectively subordinated to the liabilities of our non-guarantor subsidiaries.*

The securities will be effectively subordinated to all existing and future indebtedness and other liabilities of our non-guarantor subsidiaries. In the event of a bankruptcy, liquidation or similar proceeding with respect to a non-guarantor subsidiary, following payment by the subsidiary of its liabilities, the subsidiary may not have sufficient assets to make payments to us. As of March 31, 2012, our non-guarantor subsidiaries had approximately \$45 million of outstanding indebtedness (excluding intercompany debt and liabilities and accounts payable incurred in the ordinary course of business).

*An active trading market may not develop for the securities, which could adversely affect the price of the securities in the secondary market and your ability to resell the securities should you desire to do so.*

The securities are new issues of securities and there is no established trading market for the securities. We do not intend to apply to list the securities for trading on any securities exchange or to arrange for quotation on any automated dealer quotation system.

As a result of this and the other factors listed below, an active trading market for the securities may not develop, in which case the market price and liquidity of the securities may be adversely affected.

In addition, you may not be able to sell your securities at a particular time or at a price favorable to you. Future trading prices of the securities will depend on many factors, including:

our operating performance and financial condition;

our prospects or the prospects for companies in our industries generally;

the interest of securities dealers in making a market in the securities;

the market for similar securities;

prevailing interest rates; and

the risk factors described in our Annual Report on Form 10-K for the year ended December 31, 2011.

We have been advised by the underwriters that they intend to make a market for the securities, but they have no obligation to do so and may discontinue market-making at any time without providing any notice.

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

The ratio of earnings to fixed charges for Time Warner is set forth below for the periods indicated. As we have no shares of preferred stock outstanding as of the date of this prospectus supplement, no ratio of earnings to fixed charges and preferred dividends is presented.

For purposes of computing the ratio of earnings to fixed charges, earnings were calculated by adding:

- (i) pretax income (loss) from continuing operations,
- (ii) adjustments for equity earnings or losses of investee companies, net of cash distributions and
- (iii) fixed charges which consist of interest expense, capitalized interest and portions of rents representative of an interest factor from both continuing and discontinued operations.

	<b>Three Months Ended March 31, 2012</b>	<b>Year Ended December 31, 2011</b>	<b>Year Ended December 31, 2010</b>	<b>Year Ended December 31, 2009</b>	<b>Year Ended December 31, 2008</b>	<b>Year Ended December 31, 2007</b>
Ratio of earnings to fixed charges	3.4x	4.0x	3.8x	3.0x	(a)	2.0x

- (a) Time Warner's earnings were insufficient to cover its fixed charges by \$4.374 billion for the year ended December 31, 2008. Net loss from continuing operations before income taxes and discontinued operations for 2008 includes \$7.139 billion of noncash impairments related to goodwill and identifiable intangible assets at Time Warner's publishing segment.

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**USE OF PROCEEDS**

The net proceeds from this offering are estimated to be approximately \$986,305,000, after deducting the underwriting discount and our estimated offering expenses. We intend to use the net proceeds for general corporate purposes.

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**DESCRIPTION OF THE NOTES AND THE DEBENTURES**

We will issue two separate series of securities under the indenture referred to in the accompanying prospectus. The following description of the securities offered hereby and the related guarantees supplements the description of the general terms and provisions of the securities set forth under **Description of the Debt Securities and the Guarantees** beginning on page 8 in the accompanying prospectus. This description replaces the description of the securities in the accompanying prospectus, to the extent of any inconsistency.

**Principal Amount; Maturity and Interest**

We will issue in this offering \$500,000,000 in aggregate principal amount of our 3.40% Notes due 2022 and \$500,000,000 in aggregate principal amount of our 4.90% Debentures due 2042. The notes will mature on June 15, 2022 and the debentures will mature on June 15, 2042.

We will pay interest on the notes at the rate of 3.40% per year and on the debentures at the rate of 4.90% per year, in each case semi-annually in arrears on June 15 and December 15 of each year, beginning on December 15, 2012, to holders of record on the preceding June 1 and December 1, respectively. If interest or principal is payable on a Saturday, Sunday or any other day when banks are not open for business in the City of New York, we will make the payment on the next business day, and no interest will accrue as a result of the delay in payment. Interest will accrue from June 13, 2012, and will accrue on the basis of a 360-day year consisting of twelve 30-day months.

In addition, we have the ability under the indenture to reopen the series of notes offered hereby and issue additional notes as part of the same series. The notes and any such additional notes will be treated as a single series for all purposes under the indenture, including waivers, amendments and redemptions. We also have the ability under the indenture to reopen the series of debentures offered hereby and issue additional debentures as part of the same series. The debentures and any such additional debentures will be treated as a single series for all purposes under the indenture, including waivers, amendments and redemptions.

**Additional Information**

See **Description of the Debt Securities and the Guarantees** in the accompanying prospectus for additional important information about, and applicable to, the securities. That information includes:

additional information about the terms of the securities;

general information about the indenture and the Trustee;

a description of certain covenants under the indenture; and

a description of events of default under the indenture.

**Guarantees**

Historic TW, as primary obligor and not merely as surety, will fully, irrevocably and unconditionally guarantee to each holder of the securities and to the Trustee and its successors and assigns (1) the full and punctual payment of principal and interest on the securities when due, whether at maturity, by acceleration, by redemption or otherwise, and all other monetary obligations of ours under the indenture (including obligations to the Trustee) and the securities and (2) the full and punctual performance within applicable grace periods of all other obligations of ours under the indenture and the securities. Such guarantees will constitute guarantees of payment, performance and compliance and not merely of collection. Additionally, HBO and TBS will fully, irrevocably and unconditionally guarantee Historic TW's guarantee of the securities under substantially the same terms as the guarantee of Historic TW of the securities.

We describe the terms of the guarantees in more detail under the heading **Description of the Debt Securities and the Guarantees** **Guarantees** in the accompanying prospectus.

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### ***Existing Indebtedness***

At March 31, 2012, the aggregate principal amount of outstanding public debt securities of Time Warner and its subsidiaries was \$19.401 billion. The following is a summary of the existing public debt at Time Warner and the Guarantors, the revolving credit facilities at Time Warner and the commercial paper program of Time Warner. Please see the information incorporated herein by reference for a further description of this indebtedness as well as our and our subsidiaries' other indebtedness.

#### ***Time Warner***

At March 31, 2012, the aggregate principal amount outstanding of public debt securities issued by Time Warner was \$14.638 billion. Time Warner also has senior unsecured revolving credit facilities consisting of a \$2.5 billion four-year revolving credit facility with a maturity date of September 27, 2015 and a \$2.5 billion five-year revolving credit facility with a maturity date of September 27, 2016. At March 31, 2012, there were no borrowings outstanding, and there was \$2 million in outstanding face amount of letters of credit, under the revolving credit facilities. Time Warner also has a \$5.0 billion commercial paper program. Commercial paper issued by Time Warner under the program is supported by unsecured committed capacity under the revolving credit facilities. At March 31, 2012, no commercial paper was outstanding under the commercial paper program.

#### ***Guarantors***

At March 31, 2012, the aggregate principal amount of outstanding public debt securities issued or assumed by Historic TW and TBS was \$4.463 billion and \$300 million, respectively. HBO has not issued any public debt securities. At March 31, 2012, Historic TW was the primary obligor or guarantor of \$19.401 billion of outstanding indebtedness (representing all of the public debt securities of Time Warner and its subsidiaries), HBO was a primary obligor or guarantor of \$17.460 billion of outstanding indebtedness (which includes \$17.401 billion of the \$19.401 billion of public debt securities issued by Time Warner and its subsidiaries) and TBS was the primary obligor or guarantor of \$19.418 billion of outstanding indebtedness (which includes the \$19.401 billion of public debt securities issued by Time Warner and its subsidiaries).

#### ***Other***

The aggregate principal amount of existing indebtedness for borrowed money, exclusive of intercompany debt and liabilities and accounts payable, incurred by subsidiaries other than the Guarantors was \$45 million at March 31, 2012.

### ***Release of Guarantors***

The indenture for the securities provides that any Guarantor may be automatically released from its obligations if such Guarantor has no outstanding Indebtedness For Borrowed Money (as defined in the accompanying prospectus), other than any other guarantee of Indebtedness For Borrowed Money that will be released concurrently with the release of such guarantee. However, there is no covenant in the indenture that would prohibit any such Guarantor from incurring Indebtedness For Borrowed Money after the date such Guarantor is released from its guarantee. In addition, although the indenture for the securities limits the overall amount of secured Indebtedness For Borrowed Money that can be incurred by Time Warner and its subsidiaries without also securing the securities, it does not limit the amount of unsecured indebtedness that can be incurred by Time Warner and its subsidiaries. Thus, there is no limitation on the amount of indebtedness that could be structurally senior to the securities. See Description of the Debt Securities and the Guarantees Guarantees in the accompanying prospectus.



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### ***Ranking***

The securities offered hereby will be senior unsecured obligations of ours, and will rank equally with other senior unsecured obligations of ours. The guarantees of the securities will be senior unsecured obligations of Historic TW, HBO and TBS, as applicable, and will rank equally with all other senior unsecured obligations of Historic TW, HBO and TBS, respectively.

Each of Time Warner, Historic TW, HBO and TBS is a holding company for other non-guarantor subsidiaries, and therefore the securities and the guarantees of the securities will be effectively subordinated to all existing and future liabilities, including indebtedness, of such non-guarantor subsidiaries. Such non-guarantor subsidiaries include Warner Bros. Entertainment Inc. and Time Inc. Furthermore, the ability of each of Time Warner, Historic TW and, to a certain extent, HBO and TBS, to service its indebtedness and other obligations depends on the earnings and cash flow of their respective subsidiaries and the distribution or other payment to them of such earnings or cash flow.

### **Optional Redemption**

We may redeem some or all of the securities at any time or from time to time, as a whole or in part, at our option, on at least 15 days, but not more than 45 days, prior notice mailed to each holder of such securities to be redeemed, at respective redemption prices equal to the greater of:

100% of the principal amount of the securities to be redeemed, and

the sum of the present values of the Remaining Scheduled Payments, as defined in the accompanying prospectus, discounted to the redemption date, on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate, as defined in the accompanying prospectus, plus 30 basis points, in the case of the notes, and plus 35 basis points, in the case of the debentures;

plus, in each case, accrued interest to, but not including, the date of redemption that has not been paid.

### **No Mandatory Redemption or Sinking Fund**

There will be no mandatory redemption prior to maturity or sinking fund payment for the securities.

### **Additional Debt**

The indenture does not limit the amount of debt that we may issue under the indenture or otherwise.

### **Book-Entry Delivery and Settlement**

#### ***Global Notes***

We will issue the securities of each series in the form of one or more global notes in definitive, fully registered, book-entry form. The global notes will be deposited with or on behalf of The Depository Trust Company ( DTC ) and registered in the name of Cede & Co., as nominee of DTC, or will remain in the custody of the Trustee in accordance with the FAST Balance Certificate Agreement between DTC and the Trustee.

#### ***DTC, Clearstream and Euroclear***

Beneficial interests in the global notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Investors may hold interests in the global notes through either DTC (in the United States), Clearstream Banking, société anonyme, Luxembourg ( Clearstream ), or Euroclear Bank S.A./N.V., as operator of the Euroclear System ( Euroclear ) in

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Europe, either directly if they are participants of such systems or indirectly through organizations that are participants in such systems. Clearstream and Euroclear will hold interests on behalf of their participants through customers' securities accounts in Clearstream's and Euroclear's names on the books of their U.S. depositories, which in turn will hold such interests in customers' securities accounts in the U.S. depositories' names on the books of DTC. The Bank of New York Mellon will act as the U.S. depository for Clearstream and Euroclear.

DTC has advised us as follows:

DTC is a limited-purpose trust company organized under the New York Banking Law, a banking organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code and a clearing agency registered under Section 17A of the Exchange Act.

DTC holds securities that its participants deposit with DTC and facilitates the settlement among participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in participants' accounts, thereby eliminating the need for physical movement of securities certificates.

Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and other organizations.

DTC is owned by a number of its direct participants and by The New York Stock Exchange, Inc., the American Stock Exchange LLC and the Financial Industry Regulatory Authority.

Access to the DTC system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly.

The rules applicable to DTC and its direct and indirect participants are on file with the SEC.

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

Euroclear has advised us that it was created in 1968 to hold securities for participants of Euroclear and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear provides various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V. (the Euroclear Operator) under contract with Euroclear Clearance Systems S.C., a Belgian cooperative corporation (the Cooperative). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not the Cooperative. The Cooperative establishes policy for Euroclear on behalf of Euroclear participants. Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the underwriters. Indirect access to Euroclear is also

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available to other firms that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

The Euroclear Operator has advised us that it is licensed by the Belgian Banking and Finance Commission to carry out banking activities on a global basis. As a Belgian bank, it is regulated and examined by the Belgian Banking and Finance Commission.

We have provided the descriptions of the operations and procedures of DTC, Clearstream and Euroclear in this prospectus supplement solely as a matter of convenience. These operations and procedures are solely within the control of those organizations and are subject to change by them from time to time. None of our company, Historic TW, HBO, TBS, the underwriters or the Trustee takes any responsibility for these operations or procedures, and you are urged to contact DTC, Clearstream and Euroclear or their participants directly to discuss these matters.

We expect that under procedures established by DTC:

upon deposit of the global notes with DTC or its custodian, DTC will credit on its internal system the accounts of direct participants designated by the underwriters with portions of the principal amounts of the global notes; and

ownership of the securities will be shown on, and the transfer of ownership thereof will be effected only through, records maintained by DTC or its nominee, with respect to interests of direct participants, and the records of direct and indirect participants, with respect to interests of persons other than participants.

The laws of some jurisdictions may require that purchasers of securities take physical delivery of those securities in definitive form. Accordingly, the ability to transfer interests in the securities represented by global notes to those persons may be limited. In addition, because DTC can act only on behalf of its participants, who in turn act on behalf of persons who hold interests through participants, the ability of a person having an interest in securities represented by global notes to pledge or transfer those interests to persons or entities that do not participate in DTC's system, or otherwise to take actions in respect of such interest, may be affected by the lack of a physical definitive security in respect of such interest.

So long as DTC or its nominee is the registered owner of the global notes, DTC or that nominee will be considered the sole owner or holder of the securities represented by the global notes for all purposes under the indenture and under the securities. Except as provided below, owners of beneficial interests in a global note will not be entitled to have securities represented by that global note registered in their names, will not receive or be entitled to receive physical delivery of certificated securities and will not be considered the owners or holders thereof under the indenture or under the securities for any purpose, including with respect to the giving of any direction, instruction or approval to the Trustee. Accordingly, each holder owning a beneficial interest in a global note must rely on the procedures of DTC and, if that holder is not a direct or indirect participant, on the procedures of the participant through which that holder owns its interest, to exercise any rights of a holder of securities under the indenture or a global note.

None of our company, Historic TW, HBO, TBS or the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of the securities by DTC, Clearstream or Euroclear, or for maintaining, supervising or reviewing any records of those organizations relating to the securities.

Payments on the securities represented by the global notes will be made to DTC or its nominee, as the case may be, as the registered owner thereof. We expect that DTC or its nominee, upon receipt of any payment on the securities represented by a global note, will credit participants accounts with payments in amounts proportionate to their respective beneficial interests in the global note as shown in the records of DTC or its nominee. We also expect that payments by participants to owners of beneficial interests in the global note held through such

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participants will be governed by standing instructions and customary practice as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. The participants will be responsible for those payments.

Distributions on the securities held beneficially through Clearstream will be credited to cash accounts of its customers in accordance with its rules and procedures, to the extent received by the U.S. depository for Clearstream.

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

Distributions on the securities held beneficially through Euroclear will be credited to the cash accounts of its participants in accordance with the Terms and Conditions, to the extent received by the U.S. depository for Euroclear.

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

Initial settlement for the securities will be made in immediately available funds. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled in immediately available funds. Secondary market trading between Clearstream customers and/or Euroclear participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream and Euroclear, as applicable, and will be settled using the procedures applicable to conventional eurobonds in immediately available funds.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream customers or Euroclear participants, on the other, will be effected through DTC in accordance with DTC rules on behalf of the relevant European international clearing system by the U.S. depository; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to the U.S. depository to take action to effect final settlement on its behalf by delivering or receiving the securities in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream customers and Euroclear participants may not deliver instructions directly to their U.S. depositories.

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

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

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*Certificated Securities*

We will issue certificated securities to each person that DTC identifies as the beneficial owner of the securities represented by the global notes upon surrender by DTC of the global notes if:

DTC notifies us that it is no longer willing