

UNUMPROVIDENT CORP
 Form 424B5
 June 20, 2002
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 Registration Statement No. 333-43808

PROSPECTUS SUPPLEMENT
 (To Prospectus Dated September 1, 2000)

\$150,000,000

7.250% Public Income NotES (PINES[®]) due 2032

We are offering \$150,000,000 of 7.250% Public Income NotES due 2032, which we refer to as the PINES . The PINES will be our senior obligations and will rank on a parity with all of our existing and future unsecured and unsubordinated indebtedness. We will pay interest on the PINES on March 15, June 15, September 15 and December 15 of each year. The first such payment will be on September 15, 2002. We may redeem the PINES, in whole or in part, at any time on or after June 25, 2007 at a redemption price equal to 100% of the principal amount redeemed plus accrued and unpaid interest to the redemption date. The PINES will be issued in minimum denominations of \$25 and integral multiples thereof.

We intend to list the PINES on the New York Stock Exchange and expect trading in the PINES on the New York Stock Exchange to begin within 30 days after the original issue date. The PINES are expected to trade flat , meaning that purchasers will not pay and sellers will not receive any accrued and unpaid interest on the PINES that is not included in the trading price.

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

	<u>Per PINES</u>	<u>Total</u>
Public Offering Price	100.00%	\$ 150,000,000
Underwriting Discounts	3.15%	\$ 4,725,000
Proceeds to UnumProvident (before expenses)	96.85%	\$ 145,275,000

The public offering price set forth above does not include accrued interest, if any. Interest on the PINES will accrue from June 25, 2002 and must be paid by the purchaser if the PINES are delivered after June 25, 2002.

The underwriters are severally underwriting the PINES being offered. The underwriters expect to deliver the PINES in book-entry form only through the facilities of The Depository Trust Company against payment in New York, New York on June 25, 2002.

PINES[®] is a registered service mark of Salomon Smith Barney Inc.

Salomon Smith Barney

A.G. Edwards & Sons, Inc.

Merrill Lynch & Co.

UBS Warburg

Wachovia Securities, Inc.

Banc of America Securities LLC

June 18, 2002

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You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with different information, and you may not rely on any information that we have not authorized. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date on the front of this prospectus supplement. The information contained in our website, www.unumprovident.com, is not part of this prospectus supplement or the accompanying prospectus.

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In this prospectus supplement, UnumProvident, the Company, we, us and our refer to UnumProvident Corporation.

ALTERNATIVE SETTLEMENT DATE

It is expected that delivery of the PINES will be made on or about the date specified on the cover page of this prospectus supplement, which will be the fifth business day following the date of this prospectus supplement. Under Rule 15c6-1 of the Securities Exchange Commission (SEC) under the Securities Exchange Act of 1934, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, the purchasers who wish to trade PINES on the date of this prospectus supplement or the next succeeding business day will be required to specify an alternate settlement cycle at the time of any such trade to prevent failed settlement. Purchasers of PINES who wish to trade PINES on the date of this prospectus supplement or the next succeeding business day should consult their own advisors.

ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is the prospectus supplement, which describes the specific terms of the PINES we are offering and certain other matters relating to UnumProvident. The second part, the base prospectus, gives more general information about securities we may offer from time to time, some of which does not apply to the PINES we are offering. Generally, when we refer to the prospectus, we are referring to both parts of this document combined. If the description of the PINES in the prospectus supplement differs from the description in the base prospectus, the description in this prospectus supplement supersedes the description in the base prospectus.

FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus contain or incorporate statements that are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995. Those statements can be identified by the use of forward-looking language such as may, should, believes, expects, anticipates, estimates, intends, projects, goals, objectives, or other similar expressions. Our actual results or achievements could be materially different from the results expressed in, or implied by, those forward-looking statements. Those statements are subject to certain risks and uncertainties, including but not limited to, certain risks described in this prospectus supplement and the accompanying prospectus or other documents incorporated by reference. When considering those forward-looking statements, you should keep in mind these risks, uncertainties and other cautionary statements made in this prospectus supplement and the accompanying prospectus. You should not place undue reliance on any forward-looking statement, which speaks only as of the date made. You should refer to our periodic and current reports filed with the SEC for specific risks which could cause actual results to be significantly different from those expressed or implied by those forward-looking statements.

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UNUMPROVIDENT CORPORATION

We are the surviving corporation in the merger on June 30, 1999 of Provident Companies Inc., the leading individual disability insurance provider in North America, with Unum Corporation, the leading group disability insurance provider. We are the parent holding company for a group of insurance and non-insurance companies that collectively operate throughout North America and in the United Kingdom and Japan. Our principal operating subsidiaries are Unum Life Insurance Company of America (Unum America), Provident Life and Accident Insurance Company (Accident), The Paul Revere Life Insurance Company (Paul Revere Life), and Colonial Life & Accident Insurance Company (Colonial). We, through our subsidiaries, are the largest provider of group and individual disability insurance in North America and the United Kingdom. We also provide a complementary portfolio of life insurance products, including long-term care insurance, life insurance, employer- and employee-paid group benefits, and related services.

We are organized around our customers, with reporting segments that reflect our major market segments: employee benefits, individual, and voluntary benefits. The employee benefits segment includes group long-term and short-term disability insurance, group life insurance, group long-term care, accidental death and dismemberment coverages, and the results of managed disability. Our individual segment includes individual disability and individual long-term care. The voluntary benefits segment includes products sold to employees through payroll deduction at the workplace. These products include life insurance and health products, primarily disability, accident and sickness, and cancer. We also have two additional segments: other and corporate. The other segment includes the results from products that we no longer actively market, including individual life, corporate-owned life insurance, reinsurance pools and management operations, group pension, health insurance, and individual annuities. The corporate segment includes investment income on corporate assets not specifically allocated to a line of business, corporate interest expense and certain corporate expenses not allocated to a line of business.

RECENT DEVELOPMENTS

On June 13, 2002, we entered into an underwriting agreement pursuant to which we sold \$250,000,000 in principal amount of our 7.375% Senior Debentures due 2032. We will use the proceeds from the sale of our senior debentures to refinance our existing commercial paper borrowings. Pending such use, we may temporarily invest the net proceeds from the sale of our senior debentures in highly liquid short-term debt securities.

RATINGS

Standard & Poor's Corporation, Moody's Investors Service, Inc., Fitch, Inc. and A.M. Best Company are among the third parties that provide assessments of our overall financial position. Ratings from these agencies for financial strength are available for certain of our U.S. insurance subsidiaries. Financial strength ratings are based primarily on statutory financial information for these individual insurance companies. Our debt ratings are based primarily on consolidated financial information prepared using generally accepted accounting principles. Both financial strength ratings and debt ratings incorporate qualitative analyses by rating agencies on an ongoing basis.

On August 23, 2000, Moody's lowered the financial strength ratings of our U.S. insurance subsidiaries to A2 from A1 and confirmed our short-term rating at Prime-2. On August 17, 2001, A.M. Best lowered the financial strength of our U.S. insurance subsidiaries from A+ to A. We have not experienced a material impact on our new sales or persistency of existing business as a result of these ratings changes.

On May 29, 2002, Moody's announced a change in its notching practices for U.S. life insurers. Moody's stated it would be changing its rating strategy for U.S. life insurers to achieve wider notching between the financial strength ratings at the operating insurance company level and the debt ratings at the holding company level. On June 7, 2002, Moody's announced that it was increasing the number of rating notches between us and our operating companies from two notches to three notches, and as a result our Moody's holding company debt rating was lowered from Baa1 to Baa2.

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On June 12, 2002, Standard & Poor's re-affirmed the various financial strength ratings of our U.S. insurance subsidiaries and our various holding company debt ratings, including our senior debt rating at A-, and changed the outlook on us and our U.S. insurance subsidiaries from negative to stable.

The information contained in the debt and financial strength ratings described herein or incorporated by reference herein is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the assigning rating organization. Each rating should be evaluated independently of any other rating.

The table below reflects our most recent senior debt and commercial paper ratings.

	S&P	Moody's	Fitch	A.M. Best
Senior Debt	A-(strong)	Baa2 (medium grade)	A-(high credit quality)	a-(strong)
Commercial Paper	A-2 (good)	Prime-2 (strong ability)	F2 (good credit quality)	AMB-2 (acceptable)

USE OF PROCEEDS

We will use the net proceeds from the sale of the PINES to refinance existing commercial paper borrowings. Pending such use, we may temporarily invest the net proceeds in highly liquid short-term debt securities.

CONSOLIDATED RATIOS OF EARNINGS TO FIXED CHARGES

Our consolidated ratio of earnings to fixed charges including our consolidated subsidiaries is computed by dividing earnings by fixed charges. The ratios of earnings to fixed charges for the periods prior to December 31, 1999 have been restated to give retroactive effect to the merger of Unum Corporation and Provident Companies, Inc. on June 30, 1999. The following table sets forth our consolidated ratios of earnings to fixed charges for the periods shown:

	For the Year Ended December 31,					For the Three Months Ended March 31, 2002
	1997	1998	1999(2)	2000	2001	
Earnings to fixed charges (1)	10.1x	7.7x	(0.1)x	5.4x	5.4x	3.4x

- (1) For purposes of computing the ratio of earnings to fixed charges, earnings as adjusted consist of income (loss) before income taxes plus fixed charges. Fixed charges consist of interest and debt expense, amortization of deferred debt costs and the estimated interest portion of rent expense.
- (2) Earnings are inadequate to cover fixed charges. The coverage deficiency totals \$165.5 million.

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DESCRIPTION OF THE PINES

General

We provide information to you about the PINES in two separate documents:

the accompanying prospectus and

this prospectus supplement.

The PINES are a series of Debt Securities as described in the accompanying prospectus. This description supplements the description of the general terms and provisions of the debt securities found in the accompanying prospectus. Capitalized terms used and not otherwise defined below or elsewhere in this prospectus supplement or the accompanying prospectus are used with the respective meanings given thereto in the Indenture, dated as of March 9, 2001, as supplemented, between us and JPMorgan Chase Bank (formerly known as The Chase Manhattan Bank), as Trustee, and the terms of which will govern the PINES.

The PINES:

will be our unsecured obligations,

will rank equally with all our other unsecured and unsubordinated indebtedness from time to time outstanding,

will initially be limited in aggregate principal amount to \$150,000,000, subject to increase as described under **Future Issues** below,

will mature on June 15, 2032,

will be issued in minimum denominations of \$25 and integral multiples thereof,

will be redeemable at our option, in whole or in part, at any time on or after June 25, 2007 at a redemption price equal to 100% of the principal amount redeemed plus accrued and unpaid interest to the redemption date,

are expected to be listed on the New York Stock Exchange and

are expected to receive ratings equivalent to our senior long-term debt ratings.

Quarterly Payments

Interest on the PINES will accrue from June 25, 2002 at a rate of 7.250% per annum and will be payable initially on September 15, 2002 and thereafter quarterly on March 15, June 15, September 15 and December 15 of each year (each an Interest Payment Date). On an Interest Payment Date, interest will be paid to the persons in whose names the PINES were registered as of the record date. With respect to any Interest Payment Date, for so long as the PINES are represented by Global Securities (as defined below), the record date will be the close of business on the Business Day prior to the relevant Interest Payment Date, and in case the PINES are no longer represented by Global Securities, the record date will be the close of business on the 15th calendar day (whether or not a Business Day) prior to the relevant Interest Payment Date.

The amount of interest payable for any period will be computed on the basis of twelve 30-day months and a 360-day year. The amount of interest payable for any period shorter than a full quarterly interest period will be computed on the basis of the number of days elapsed in a 90-day quarter of three 30-day months. If any Interest Payment Date falls on a Saturday, Sunday, legal holiday or a day on which banking institutions in the City of New York are authorized by law, regulation or executive order to close, then payment of interest may be made on the next succeeding Business Day and no additional interest will accrue because of such delayed payment.

Future Issues

We may from time to time, without notice to or the consent of the holders of the PINES, create and issue further PINES ranking equally and ratably with the PINES in all respects, or in all respects except for the

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payment of interest accruing prior to the issue date or except for the first payment of interest following the issue date of those further PINES. Any such further PINES will be consolidated and form a single issue with the PINES currently being offered and will have the same terms as to status, redemption or otherwise as the PINES. Any such further PINES may be issued pursuant to authorization provided by one or more Board Resolutions.

Redemption and Repayment

The PINES will be redeemable at our option, in whole or in part, at any time on or after June 25, 2007, upon not less than 30 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount redeemed plus accrued and unpaid interest to the redemption date. Additionally, we may at any time repurchase PINES at any price in the open market and may hold, resell or surrender such PINES to the Trustee for cancellation. You will not have the right to require us to repay PINES prior to maturity. The PINES are not subject to any sinking fund provision.

Trading Characteristics

We expect the PINES to trade at a price that takes into account the value, if any, of accrued and unpaid interest. This means that purchasers will not pay, and sellers will not receive, accrued and unpaid interest on the PINES that is not included in their trading price. Any portion of the trading price of a PINES that is attributable to accrued and unpaid interest will be treated as ordinary interest income for U.S. federal income tax purposes and will not be treated as part of the amount realized for purposes of determining gain or loss on the disposition of the PINES. See generally "Material United States Tax Consequences."

Transfer Agent and Paying Agent

JPMorgan Chase Bank is the transfer agent and paying agent for the PINES. Payment of principal and interest will be payable, and the PINES will be transferable, at the office of the paying agent. We may, however, pay interest by wire transfer or check mailed to registered holders of the PINES. At the maturity of the PINES, the principal, together with accrued interest thereon, will be payable in immediately available funds upon surrender of such PINES at the office of the Trustee. For so long as the PINES are represented by global securities ("Global Securities"), we will make payments of interest to The Depository Trust Company (the "Depository") or its nominees, as the case may be, which will distribute payments to its beneficial holders in accordance with its customary procedures.

Book-Entry Only

The PINES will be issued only in book-entry form through the facilities of the Depository and will be in denominations of \$25 and integral multiples thereof. The PINES will be represented by a Global Security and will be registered in the name of a nominee of the Depository. The Depository has advised us that it is a limited-purpose trust company organized under the New York Banking Law, a banking organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code, and a clearing agency registered pursuant to the provisions of section 17A of the Securities Exchange Act of 1934, as amended. The Depository holds securities that its participants deposit with the Depository. The Depository also facilitates the settlement among its participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in its participants' accounts. By doing so, the Depository eliminates the need for physical movement of securities. The Depository's participants include securities brokers and dealers (including the underwriters), banks, trust companies, clearing corporations, and certain other organizations, some of which own the Depository. The Depository is also owned by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the Depository's 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 participant, either directly or indirectly. Persons who are not participants may beneficially own securities held by the Depository only through participants. The rules applicable to the Depository and its participants are on file with the Securities and Exchange Commission.

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Upon the issuance of the Global Security, the Depositary will credit its participants' accounts on its book-entry registration and transfer system with their respective principal amounts of the PINES represented by such Global Security. The underwriters designate which participants' accounts will be credited. The only persons who may own beneficial interests in the Global Security will be the Depositary's participants or persons that hold interests through such participants. Ownership of beneficial interests in such Global Security will be shown on, and the transfer of that ownership will be effected only through, records maintained by the Depositary or its nominee (with respect to interests of its participants), and on the records of its participants (with respect to interests of persons other than such participants). The laws of some states may require that certain purchasers of securities take physical delivery of such securities in definitive form. Such limits and laws may impair your ability to transfer your interest in the PINES.

So long as the Depositary or its nominee is the registered owner of the Global Security, the Depositary or such nominee, as the case may be, will be considered the sole owner or holder of the PINES represented by such Global Security for all purposes under the Indenture. Except as provided below or as we may otherwise agree in our sole discretion, owners of beneficial interests in a Global Security will not be entitled to have PINES represented by such Global Security registered in their names, will not receive or be entitled to receive physical delivery of PINES in definitive form and will not be considered the owners or holders thereof under the Indenture.

Principal and interest payments on PINES registered in the name of the Depositary or its nominee will be made to the Depositary or its nominee, as the case may be, as the registered owner of the Global Security representing such PINES. None of UnumProvident, the Trustee, any paying agent or the registrar for the PINES will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial interests in such Global Security for such PINES or for maintaining, supervising or reviewing any records relating to such beneficial interests.

We expect that the Depositary for the PINES or its nominee, upon receipt of any payment of principal or interest, will credit immediately its participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the Global Security for such PINES as shown on the records of the Depositary or its nominee. We also expect that payments by such participants to owners of beneficial interests in such Global Security held through such participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers in bearer form or registered in street name (i.e., the name of a securities broker or dealer). Such payments will be the responsibility of such participants.

If the Depositary is at any time unwilling or unable to continue as depositary and a successor depositary is not appointed by us within 90 days, we will issue PINES in definitive form in exchange for the entire Global Security representing such PINES. In addition, we may at any time, and in our sole discretion determine not to have the PINES represented by the Global Security and, in such event, will issue PINES in definitive form in exchange for the Global Security representing such PINES. In any such instance, an owner of a beneficial interest in the Global Security will be entitled to physical delivery in definitive form of PINES represented by such Global Security equal in principal amount to such beneficial interest and to have such PINES registered in its name. PINES so issued in definitive form will be issued as registered PINES in denominations that are integral multiples of \$25.

MATERIAL UNITED STATES TAX CONSIDERATIONS

This section describes the material United States federal income tax consequences of owning the PINES we are offering. It applies to you only if you acquire PINES in the offering at the offering price and you hold your PINES as capital assets for tax purposes. This section does not apply to you if you are a member of a class of holders subject to special rules, such as:

a dealer in securities or currencies,

a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings,

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- a bank,
- a life insurance company,
- a tax-exempt organization,
- a person that owns PINES that are a hedge or that are hedged against interest rate risks,
- a person that owns PINES as part of a straddle or conversion transaction for tax purposes, or
- a person whose functional currency for tax purposes is not the U.S. dollar.

This section is based on the Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations under the Internal Revenue Code, published rulings and court decisions, all as currently in effect. These laws are subject to change, possibly on a retroactive basis.

If you purchase PINES at other than the offering price, the amortizable bond premium or market discount rules may also apply to you. You should consult your tax advisor regarding this possibility.

Please consult your tax advisor concerning the consequences of owning PINES in your particular circumstances.

United States Holders

This subsection describes the tax consequences to a United States holder. You are a United States holder if you are a beneficial owner of PINES and you are:

- a citizen or resident of the United States,
- a domestic corporation,
- an estate whose income is subject to United States federal income tax regardless of its source, or
- a trust if a United States court can exercise primary supervision over the trust's administration and one or more United States persons are authorized to control all substantial decisions of the trust.

If you are not a United States holder, this subsection does not apply to you and you should refer to **United States Alien Holders** below.

Payments of Interest

You will be taxed on interest on your PINES as ordinary income at the time you receive the interest or when it accrues, depending on your method of accounting for tax purposes.

Sale or Other Taxable Disposition of the PINES

Your tax basis in your PINES generally will be its cost. You will generally recognize capital gain or loss on the sale, retirement or other taxable disposition of your PINES equal to the difference between the amount you realize on the sale, retirement or other taxable disposition and your tax basis in your PINES. The PINES are expected to trade flat, meaning that purchasers would not pay and sellers would not receive any accrued and unpaid interest on the PINES that was not included in the trading price. Amounts received on the sale, retirement or other taxable disposition of the PINES that were attributable to accrued and unpaid interest would be treated as ordinary interest income to the extent such interest had not been previously included in gross income and would not be treated as part of the amount realized for purposes of determining gain or loss on the disposition of the PINES. For example, if you were to sell your PINES at a price equal to your purchase price when it had accrued interest that was not yet paid, you would be treated as receiving ordinary interest income and recognizing a capital loss. Capital gain of a noncorporate U.S. holder is generally taxed at a maximum rate of 20% where the property is held more than one year and 18% where the property is held more than five years. The deduction of capital losses is subject to limitations under the Code.

United States Alien Holders

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This subsection describes the tax consequences to a United States alien holder. You are a United States alien holder if you are a beneficial owner of PINES and you are, for United States federal income tax purposes:

a nonresident alien individual,

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a foreign corporation,

a foreign partnership, or

an estate or trust that in either case is not subject to United States federal income tax on a net income basis on income or gain from PINES.

If you are a United States holder, this section does not apply to you. Under United States federal income and estate tax law, and subject to the discussion of backup withholding below, if you are a United States alien holder of PINES:

we and other U.S. payors generally will not be required to deduct United States withholding tax from payments of principal, premium, if any, and interest, to you if, in the case of payments of interest:

1. you do not actually or constructively own 10% or more of the total combined voting power of all classes of our stock entitled to vote,
2. you are not a controlled foreign corporation that is related to us through stock ownership, and
3. the U.S. payor does not have actual knowledge or reason to know that you are a United States person and
 - a. you have furnished to the U.S. payor an Internal Revenue Service Form W-8BEN or an acceptable substitute form upon which you certify, under penalties of perjury, that you are a non-United States person,
 - b. in the case of payments made outside the United States to you at an offshore account (generally, an account maintained by you at a bank or other financial institution at any location outside the United States), you have furnished to the U.S. payor documentation that establishes your identity and your status as a non-United States person,
 - c. the U.S. payor has received a withholding certificate (furnished on an appropriate Internal Revenue Service Form W-8 or an acceptable substitute form) from a person claiming to be:
 - i. a withholding foreign partnership (generally a foreign partnership that has entered into an agreement with the Internal Revenue Service to assume primary withholding responsibility with respect to distributions and guaranteed payments it makes to its partners),
 - ii. a qualified intermediary (generally a non-United States financial institution or clearing organization or a non-United States branch or office of a United States financial institution or clearing organization that is a party to a withholding agreement with the Internal Revenue Service), or
 - iii. a U.S. branch of a non-United States bank or of a non-United States insurance company,

and the withholding foreign partnership, qualified intermediary or U.S. branch has received documentation upon which it may rely to treat the payment as made to a non-United States person in accordance with U.S. Treasury regulations (or, in the case of a qualified intermediary, in accordance with its agreement with the Internal Revenue Service),

- d. the U.S. payor receives a statement from a securities clearing organization, bank or other financial institution that holds customers' securities in the ordinary course of its trade or business,
 - i. certifying to the U.S. payor under penalties of perjury that an Internal Revenue Service Form W-8BEN or an acceptable substitute form has been received from you by it or by a similar financial institution between it and you, and
 - ii. to which is attached a copy of the Internal Revenue Service Form W-8BEN or acceptable substitute form, or
- e. the U.S. payor otherwise possesses documentation upon which it may rely to treat the payment as made to a non-United States person in accordance with U.S. Treasury regulations.

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Additionally, a foreign partnership holding PINES will be required to provide an Internal Revenue Service Form W-8IMY, and unless it has entered into a withholding agreement with the Internal Revenue Service, to attach an appropriate certification obtained from each of its partners.

You generally will not be subject to U.S. federal withholding tax on gain recognized on the sale, exchange or other disposition of your PINES. However, a U.S. alien holder might be subject to tax on such gain if such holder were an individual who was present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions were met, in which case such holder may have to pay a U.S. federal income tax of 30% (or, if applicable, a lower treaty rate) on such gain.

If interest or gain from a disposition of your PINES were effectively connected with your conduct of a United States trade or business, or if required by an applicable income tax treaty and you were to maintain a United States permanent establishment to which the interest or gain were generally attributable, you might be subject to U.S. federal income tax on the interest or gain on a net basis in the same manner as if you were a U.S. holder. If interest income received with respect to PINES were taxable on a net basis, the withholding tax described above in the preceding paragraph would not apply (assuming an appropriate certification is provided).

Further, PINES held by an individual who at death is not a citizen or resident of the United States will not be includible in the individual's gross estate for United States federal estate tax purposes if:

the decedent did not actually or constructively own 10% or more of the total combined voting power of all classes of our stock entitled to vote at the time of death, and

the income on the PINES would not have been effectively connected with a United States trade or business of the decedent at the same time.

Backup Withholding and Information Reporting

United States Holders

In general, if you are a noncorporate United States holder, we and other payors are required to report to the Internal Revenue Service all payments of principal, any premium and interest on your PINES. In addition, we and other payors are required to report to the Internal Revenue Service any payment of proceeds of the sale of your PINES before maturity within the United States. Additionally, backup withholding will apply to any payments if you fail to provide an accurate taxpayer identification number, or you are notified by the Internal Revenue Service that you have failed to report all interest and dividends required to be shown on your federal income tax returns.

United States Alien Holders

In general, payments of principal, premium or interest made by us and other payors to you will not be subject to backup withholding and information reporting, provided that the certification requirements described above under "United States Alien Holders" are satisfied or you otherwise establish an exemption.

In general, payment of the proceeds from the sale of PINES effected at a United States office of a broker is subject to both United States backup withholding and information reporting. If, however, you are a United States alien holder, you will not be subject to backup withholding and information reporting on such a sale provided that:

the broker does not have actual knowledge or reason to know that you are a United States person and you have furnished to the broker:

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1. an appropriate Internal Revenue Service Form W-8 or an acceptable substitute form upon which you certify, under penalties of perjury, that you are a non-United States person, or
2. other documentation upon which it may rely to treat the payment as made to a non-United States person in accordance with U.S. Treasury regulations; or

you otherwise establish an exemption.

If you fail to establish an exemption and the broker does not possess adequate documentation of your status as a non-United States person, the payments may be subject to information reporting and backup withholding. However, backup withholding will not apply with respect to payments made outside the United States to an offshore account maintained by you unless the payor has actual knowledge that you are a United States person. We and other payors are required to report payments of interest on your PINES on Internal Revenue Service Form 1042-S even if the payments are not otherwise subject to information reporting requirements.

In general, payment of the proceeds from the sale of PINES effected at a foreign office of a broker will not be subject to information reporting or backup withholding. However, a sale effected at a foreign office of a broker will be subject to information reporting and backup withholding if:

the proceeds are transferred to an account maintained by you in the United States,

the payment of proceeds or the confirmation of the sale is mailed to you at a United States address, or

the sale has some other specified connection with the United States as provided in U.S. Treasury regulations,

unless the broker does not have actual knowledge or reason to know that you are a United States person and the documentation requirements described above (relating to a sale of PINES effected at a United States office of a broker) are met or you otherwise establish an exemption.

In addition, payment of the proceeds from the sale of PINES effected at a foreign office of a broker will be subject to information reporting, but not backup withholding, if the sale is effected at a foreign office of a broker that is:

a United States person,

a controlled foreign corporation for United States tax purposes,

a foreign person 50% or more of whose gross income is effectively connected with the conduct of a United States trade or business for a specified three-year period, or

a foreign partnership, if at any time during its tax year:

1. one or more of its partners are U.S. persons, as defined in U.S. Treasury regulations, who in the aggregate hold more than 50% of the income or capital interest in the partnership, or
2. such foreign partnership is engaged in the conduct of a United States trade or business,

unless the broker does not have actual knowledge or reason to know that you are a United States person and the documentation requirements described above (relating to a sale of PINES effected at a United States office of a broker) are met or you otherwise establish an exemption.

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Salomon Smith Barney Inc. is acting as representative of the underwriters named below.

Subject to the terms and conditions in the underwriting agreement dated the date of this prospectus supplement, each underwriter named below has agreed to purchase, and we have agreed to sell to that underwriter, the principal amount of PINES set forth opposite the underwriter's name.

Underwriters	Principal Amount of PINES
Salomon Smith Barney Inc.	\$ 24,000,000
A.G. Edwards & Sons, Inc.	22,875,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	22,875,000
UBS Warburg LLC	22,875,000
Wachovia Securities, Inc.	22,875,000
Banc of America Securities LLC	3,000,000
Banc One Capital Markets, Inc.	1,500,000
Bear Stearns & Co. Inc.	1,500,000
Charles Schwab & Co., Inc.	1,500,000
Credit Suisse First Boston Corporation	1,500,000
Deutsche Banc Alex. Brown Inc.	1,500,000
Fox-Pitt Kelton Inc.	1,500,000
H&R BLOCK Financial Advisors, Inc.	1,500,000
McDonald Investments Inc. (a KeyCorp Company)	1,500,000
Prudential Securities Incorporated	1,500,000
Quick & Reilly, Inc.	1,500,000
RBC Dain Rauscher Inc.	1,500,000
SunTrust Capital Markets, Inc.	1,500,000
TD Securities (USA), Inc.	1,500,000
US Bancorp Piper Jaffray Inc.	1,500,000
Wells Fargo Van Kasper, LLC	1,500,000
Advest, Inc.	500,000
C.L. King & Associates, Inc.	500,000
D.A. Davidson & Co.	500,000
Davenport & Company LLC	500,000
Fahnstock & Co. Inc.	500,000
HSBC Securities (USA) Inc.	500,000
J.J.B. Hilliard, W.L. Lyons, Inc.	500,000
Janney Montgomery Scott LLC	500,000
Legg Mason Wood Walker, Incorporated	500,000
Mesirow Financial, Inc.	500,000
Morgan Keegan & Company, Inc.	500,000
Parker/Hunter Incorporated	500,000
Raymond James & Associates, Inc.	500,000
Robert W. Baird & Co. Incorporated	500,000
Southwest Securities, Inc.	500,000
Stifel, Nicolaus & Company, Incorporated	500,000
Wedbush Morgan Securities, Inc.	500,000
William Blair & Company L.L.C.	500,000
Total	\$ 150,000,000

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