

SECURITIES AND EXCHANGE COMMISSION

FORM 424B2

Prospectus filed pursuant to Rule 424(b)(2)

Filing Date: **1994-01-21**
SEC Accession No. **0000950131-94-000038**

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FIRST CHICAGO CORP

CIK: **36161** | IRS No.: **362669970** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **424B2** | Act: **33** | File No.: **033-65904** | Film No.: **94502186**
SIC: **6021** National commercial banks

Business Address
*ONE FIRST NATL PLZ MAIL
STE 0287
CHICAGO IL 60670
3127324000*

PROSPECTUS SUPPLEMENT
(To Prospectus Dated November 4, 1993)

\$200,000,000
First Chicago Corporation

6 3/8% Subordinated Notes Due January 30, 2009

Interest payable January 30 and July 30

The Notes may not be redeemed prior to their stated maturity. The Notes will be unsecured and will be subordinate to Senior Indebtedness and General Obligations of the Company. Payment of principal of the Notes may be accelerated only in the case of the bankruptcy or reorganization of the Company. There is no right of acceleration in the case of a default in the payment of interest on the Notes or in the performance of any other covenant of the Company. The Notes will be represented by one or more Global Securities (as defined herein) registered in the name of the nominee of The Depository Trust Company ("DTC"). Except as provided herein and in the accompanying Prospectus, Notes in definitive form will not be issued. Settlement for the Notes will be made in immediately available funds. The Notes will trade in DTC's Same-Day Funds Settlement System until maturity, and secondary market trading activity for the Notes will therefore settle in immediately available funds. All payments of principal and interest to DTC will be made by the Company in immediately available funds. See "Certain Terms of the Notes" herein.

THESE SECURITIES ARE NOT SAVINGS OR DEPOSIT ACCOUNTS OR OTHER OBLIGATIONS OF A BANK AND ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS SUPPLEMENT OR THE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

<TABLE>
<CAPTION>

	Price to Public(1)	Underwriting Discount	Proceeds to Company(1)(2)
<S>	<C>	<C>	<C>
Per Note	98.886%	.75%	98.136%
Total	\$197,772,000	\$1,500,000	\$196,272,000

</TABLE>

(1) Plus accrued interest, if any, from January 26, 1994.

(2) Before deducting expenses payable by the Company estimated to be \$150,000.

The Notes are offered by the Underwriter, subject to receipt and acceptance by the Underwriter and subject to the Underwriter's right to reject any order in whole or in part. It is expected that the Global Notes will be ready for delivery to the Depository on or about January 26, 1994 against payment therefor in immediately available funds.

CS First Boston

The date of this Prospectus Supplement is January 19, 1994.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE NOTES AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents heretofore filed by First Chicago Corporation (the "Company") with the Securities and Exchange Commission (the "Commission") pursuant to Section 13 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), are incorporated herein by reference:

- (i) The Company's Annual Report on Form 10-K for the year ended December 31, 1992, as amended by the Company's Form 8 dated March 12, 1993;
- (ii) The Company's Quarterly Reports on Form 10-Q for the quarters ended March 31, 1993, June 30, 1993 and September 30, 1993; and
- (iii) The Company's Current Reports on Form 8-K dated January 14, 1993, January 20, 1993, February 26, 1993, March 3, 1993, March 5, 1993, April 16, 1993, July 14, 1993, July 30, 1993, October 13, 1993, November 15, 1993, November 22, 1993 and January 17, 1994.

All documents filed by the Company pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this Prospectus Supplement and prior to the termination of the offering of the Notes shall be deemed to be incorporated by reference into this Prospectus Supplement and to be a part hereof from the date of filing of such documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus Supplement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus Supplement.

ANY PERSON RECEIVING A COPY OF THIS PROSPECTUS SUPPLEMENT MAY OBTAIN WITHOUT CHARGE, UPON WRITTEN OR ORAL REQUEST, A COPY OF ANY OF THE DOCUMENTS INCORPORATED BY REFERENCE HEREIN, EXCEPT FOR THE EXHIBITS TO SUCH DOCUMENTS (UNLESS SUCH EXHIBITS ARE SPECIFICALLY INCORPORATED BY REFERENCE INTO SUCH DOCUMENTS). REQUESTS SHOULD BE ADDRESSED TO FIRST CHICAGO CORPORATION, ONE FIRST NATIONAL PLAZA, CHICAGO, ILLINOIS 60670, ATTENTION: INVESTOR RELATIONS, (312) 732-4812.

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SUMMARY CONSOLIDATED FINANCIAL DATA

This summary of the consolidated financial data of the Company is qualified in its entirety by the detailed information and financial statements incorporated herein by reference. See "Incorporation of Certain Documents by Reference" in this Prospectus Supplement.

<TABLE>

<CAPTION>

YEAR ENDED DECEMBER 31,

NINE MONTHS
ENDED
SEPTEMBER 30,

	1992	1991	1990	1989	1988	1993	1992	
	(IN MILLIONS, EXCEPT PER SHARE AMOUNTS AND RATIOS)						(UNAUDITED)	
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	
Consolidated Summary of Income								
Net interest income.....	\$1,183.0	\$1,080.0	\$1,197.6	\$1,235.0	\$1,164.4	\$ 925.1	\$ 862.4	
Combined credit provisions								
Assets held for accelerated disposition.....	625.0	--	--	--	--	--	625.0	
Other.....	481.9	544.3	518.8	468.4	245.0	203.0	400.4	
Noninterest income (1).....	1,479.6	1,228.5	1,191.8	1,133.5	1,042.8	1,680.0	1,043.6	
Investment securities gains (losses).....	8.6	(3.3)	7.5	1.7	(11.5)	(0.6)	8.6	
Noninterest expense (2).....	1,764.4	1,597.0	1,565.9	1,430.2	1,317.9	1,373.2	1,303.2	
Income (loss) before cumulative effect of changes in accounting principles.....	(114.5)	116.3	249.3	358.7	513.1	631.7	(251.1)	
Net income.....	93.5	116.3	249.3	358.7	513.1	631.7	(43.1)	
Consolidated Average Balances								
Loans.....	\$ 24,347	\$ 27,281	\$ 30,609	\$ 29,239	\$ 27,288	\$21,908	\$24,876	
Total assets.....	54,768	52,655	53,097	48,534	45,952	56,570	54,302	
Total deposits.....	31,694	32,819	34,213	32,420	32,277	29,878	31,832	
Long-term debt.....	1,735	1,589	1,380	1,260	1,166	2,047	1,742	
Total stockholders' equity..	3,314	2,938	2,762	2,538	2,070	3,777	3,341	
Common Share Data								
Earnings per share								
Primary								
Income (loss) before cumulative effect of changes in accounting principles.....	\$ (2.08)	\$ 1.15	\$ 3.35	\$ 5.10	\$ 8.20	\$ 6.94	\$ (3.80)	
Net income.....	0.64	1.15	3.35	5.10	8.20	6.94	(1.02)	
Fully diluted								
Income (loss) before cumulative effect of changes in accounting principles.....	\$ (2.08)	\$ 1.15	\$ 3.32	\$ 4.99	\$ 7.92	\$ 6.63	\$ (3.80)	
Net income.....	0.64	1.15	3.32	4.99	7.92	6.63	(1.02)	
Dividends declared.....	1.20	2.00	2.00	1.80	1.50	.90	.90	
Book value, period-end.....	33.19	34.90	36.27	34.82	31.30	39.03	32.51	
Market price, period-end....	36 3/4	24 5/8	16 1/2	37 1/8	29 5/8	48 3/4	31 3/4	
Capital								
Common equity-to-assets (3).....	5.9%	5.1%	4.8%	4.5%	4.4%	7.0%	5.5%	
Regulatory leverage ratio (4).....	6.6	5.8	5.0	4.9	4.9	8.0	6.1	
Risk-based capital (4)								
Tier 1 ratio.....	6.7	5.5	4.9	4.7	4.6	8.7	6.0	
Total capital ratio (7)...	10.8	9.4	8.3	8.0	7.9	13.5	10.0	
Tier 1 capital.....	\$ 3,223	\$ 2,804	\$ 2,642	\$ 2,517	\$ 2,254	\$ 3,969	\$ 2,981	
Total capital (7).....	5,221	4,762	4,441	4,307	3,892	6,179	4,985	
Ratios								
Rate of return on: (5) (6)								
Average common stockholders' equity.....	1.8%	3.2%	9.4%	15.5%	29.3%	26.5%	(3.7)%	
Average total stockholders' equity.....	2.8	4.0	9.0	14.1	24.8	22.4	(1.7)	
Average assets.....	0.17	0.22	0.47	0.74	1.12	1.49	(0.11)	
Average earning assets....	0.20	0.26	0.55	0.85	1.26	1.75	(0.12)	
Average stockholders' equity as a percentage of average assets.....								
	6.1	5.6	5.2	5.2	4.5	6.7	6.2	
Net interest margin (6).....	2.61	2.51	2.73	3.03	2.96	2.64	2.57	
Allowance for credit losses as a percentage of loans outstanding at period-end								

(7).....	2.8(8)	3.0	3.2	4.1	4.7	2.9(8)	2.6(8)
Nonperforming loans as a percentage of total loans at period-end.....	1.7(8)	3.3	3.1	3.2	2.9	1.4(8)	2.1(8)
Net charge-offs as a percentage of average loans (6).....	1.5(8)	2.0	2.6	1.8	1.8	0.7(8)	1.9(8)
Consolidated Ratios of Earnings to Fixed Charges (9)							
Excluding interest expense on deposits.....	0.7x(10)	1.2x	1.3x	1.5x	2.0x	2.8x	0.3x(10)
Including interest expense on deposits.....	0.9x(10)	1.1x	1.1x	1.1x	1.2x	2.0x	0.7x(10)

</TABLE>

- - - - -
- (1) Excludes investment securities gains (losses).
 - (2) Excludes provision for other real estate and provision for other real estate held for accelerated disposition.
 - (3) Net of investment in First Chicago Capital Markets, Inc.
 - (4) Under year-end 1992 risk-based capital rules.
 - (5) Ratios based on net income. For return on average common stockholders' equity, dividends on preferred stock have been deducted.
 - (6) Ratios for interim periods have been annualized.
 - (7) The Company reclassified its reserve for securitized credit card receivables from the allowance for credit losses to other assets. This information has been adjusted to give effect to this reclassification.
 - (8) Excludes accelerated disposition portfolio.
 - (9) The ratios of earnings to fixed charges for the Company are computed on the basis of the total enterprise (as defined by the Commission) by dividing earnings before fixed charges and income taxes by fixed charges. Fixed charges consist principally of interest expenses on all long- and short-term borrowings, excluding or including interest on deposits as indicated.
 - (10) In the first nine months and for the full year of 1992, earnings (as defined) were insufficient to cover fixed charges. The coverage deficiency was approximately \$415 million for the first nine months of 1992 and \$201 million for the full year.

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RECENT DEVELOPMENTS

PENDING ACQUISITION

On November 22, 1993, the Company announced the execution of a definitive agreement with Lake Shore Bancorp., Inc. ("Lake Shore") for the purchase of all outstanding shares of Lake Shore for approximately \$323 million in the Company's common stock.

The agreement provides that each share or share equivalent of Lake Shore common stock will be exchanged for the Company's common stock valued at \$31.08. The exchange ratio will be determined based on the average closing price of the Company's common stock during a 20-day period ending just prior to the closing of the transaction, with a minimum price of \$37 per share and a maximum price of \$53 per share. The Company expects to account for the transaction as a pooling-of-interests.

Lake Shore also has granted the Company an option to purchase up to 19.9 percent of the outstanding shares of Lake Shore common stock upon the occurrence of certain acquisition events with respect to Lake Shore.

The transaction is subject to approval of Lake Shore's stockholders and various bank regulatory authorities and is expected to close in the second quarter of 1994.

Lake Shore, with \$1.2 billion in assets as of September 30, 1993, and eight offices in the Chicago metropolitan area, is the bank holding company for Lake Shore National Bank, Chicago, Illinois, and Bank of Hinsdale, Hinsdale, Illinois.

ACCELERATED ASSET DISPOSITION PROGRAM

During the fourth quarter of 1993, the carrying value of the accelerated disposition portfolio declined \$118 million. This portfolio is composed of certain real estate exposure of The First National Bank of Chicago.

The following table shows the composition of the accelerated asset disposition portfolio as of December 31, 1993, December 31, 1992 and September 30, 1992.

<TABLE>
<CAPTION>

	DISPOSITION VALUE			(BEFORE VALUATION ADJUSTMENT)
	DECEMBER 31, 1993	DECEMBER 31, 1992	SEPTEMBER 30, 1992	SEPTEMBER 30, 1992
	(DOLLARS IN MILLIONS)			
<S>	<C>	<C>	<C>	<C>
Loans				
Performing.....	\$ 20	\$ 504	\$ 570	\$1,073
Nonperforming.....	16	115	130	242
Other Real Estate As-				
sets.....	71	257	350	518
	----	-----	-----	-----
Subtotal.....	107	876	1,050	1,833
Off-Balance-Sheet Expo-				
sure.....	19	161	142	142
	----	-----	-----	-----
Total Portfolio.....	\$126	\$1,037	\$1,192	\$1,975
	=====	=====	=====	=====
Disposition Value as a Percentage of Original Contractual Exposure...	26%	46%	49%	--

</TABLE>

RECENT FINANCIAL RESULTS

General

The Company reported net income for 1993 of \$804.5 million, or \$8.78 per share. Return on common stockholders' equity was 24.2 percent. Earnings from the Company's venture capital business were \$204 million, or \$2.29 per share, for 1993.

For the fourth quarter of 1993, the Company earned net income of \$172.8 million, or \$1.81 per common share. Return on common stockholders' equity was 18.3 percent. Earnings from the venture capital business were \$7 million, or five cents per share, for the fourth quarter. Excluding the venture capital contribution, quarterly earnings were up 83 percent from a year earlier.

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In the fourth quarter of 1992, net income was \$137 million, or \$1.53 per share. Net income for the full year 1992 was \$94 million, or 64 cents per share, reflecting the \$625 million special provision for combined credit losses related to the accelerated asset disposition program.

Noteworthy factors contributing to the 1993 full year results included the following:

- . The Company's earnings from core businesses were consistently strong each quarter throughout the year.
- . Equity securities gains of \$381 million were recognized in the venture capital portfolio in 1993. Net income from the venture capital

business--revenues less the portfolio's cost-to-carry and other expenses--was \$204 million, or \$2.29 per share, for the year. In 1992, venture capital earnings were \$80 million, or 95 cents per share.

- . Earnings from the credit card business grew substantially in 1993. Total managed receivables ended the year at \$10.7 billion, up from \$8.6 billion at year-end 1992. Average credit card outstandings for the year increased 21 percent over 1992 levels.
- . Combined trading profits reached a record \$285 million for the year, compared with \$177 million in 1992. Foreign exchange trading, interest rate swap and option transactions, and emerging markets trading were the key activities driving this performance.
- . Nonperforming assets at December 31, 1993, were \$277 million, or 1.2 percent of loans and other real estate. The ratio of the allowance for credit losses to nonperforming loans at year-end was 292 percent. Total commercial provision expense for the year was \$78 million, or 54 basis points of related loans--an improvement from 165 basis points in 1992.
- . As of December 31, 1993, approximately 89 percent of the net value of the accelerated asset disposition portfolio had been liquidated, well ahead of the Company's "price and pace" objectives. The carrying value of the portfolio was \$126 million at year-end, down from \$1.0 billion at December 31, 1992. This value represented 26 percent of original contractual exposure, compared with 46 percent a year earlier. Net gains of \$60 million from portfolio activity were recognized in noninterest income in 1993.
- . The Company's regulatory capital ratios, and those of all its banking subsidiaries, remain significantly above the guidelines for "well-capitalized" status. At December 31, 1993, the estimated Tier 1 ratio was 8.8 percent, and the total risk-adjusted ratio was approximately 13.5 percent. Year-ago ratios were 6.7 percent and 10.8 percent, respectively.
- . The Company's book value increased to \$40.55 per common share at the end of 1993 from \$33.19 at year-end 1992.

Factors contributing to the fourth quarter 1993 results included the following:

- . The credit card business continued to contribute significantly to earnings. Total managed credit card receivables grew 11 percent in the quarter to \$10.7 billion from \$9.6 billion at September 30, 1993.
- . The carrying value of the accelerated asset disposition portfolio declined \$118 million during the quarter to \$126 million at December 31, 1993, or 26 percent of original contractual exposure. A net gain of \$30 million from portfolio activity was recognized in noninterest income in the fourth quarter.
- . The Company reclassified its \$196 million reserve for securitized credit card receivables from the "allowance for credit losses" to "other assets". This reclassification was made to be consistent with industry practice and had no impact on reserves available for losses or on reported earnings.
- . The provision for commercial credits was \$8 million for the fourth quarter of 1993, representing 22 basis points of related loans.
- . Total equity securities gains were \$40 million, of which \$20 million were generated from the venture capital portfolio. Net income from the venture capital business was \$7 million, or five cents per share, in the fourth quarter of 1993. In 1992's fourth quarter, venture capital earnings were \$48 million, or 57 cents per share.

Net Interest Income

Net interest income on a tax-equivalent basis was \$307 million for the fourth quarter of 1993. Net interest margin was 2.49 percent, and average earning assets were \$49.0 billion.

Adjusted for the effects of credit card securitization and the activities of the Company's capital markets subsidiary, net interest margin was 3.62 percent. Adjusted net interest margin was 3.78 percent in the fourth quarter of 1992 and 3.98 percent in the third quarter of 1993.

For the full year, adjusted net interest margin was 3.70 percent, compared with 3.45 percent in 1992. Gains on Brazilian bonds and a required revaluation of leveraged leases in conjunction with the change in tax rates added 9 basis points to adjusted net interest margin in 1993.

Noninterest Income

Total noninterest income was \$523 million for the fourth quarter of 1993. Combined trading activities generated revenues of \$61 million.

Equity securities gains were \$40 million, including \$20 million from the venture capital portfolio. The remaining gains of \$20 million were realized from equity securities held in conjunction with corporate financing activities and the sale of Chilean equity positions previously received in exchange for debt.

Net gains of \$30 million from accelerated disposition activities were recorded in other revenue.

For the year, noninterest income totaled \$2.202 billion and included \$480 million in equity securities gains.

Noninterest Expense

Operating noninterest expense was \$481 million for the quarter. Higher incentive compensation costs versus prior periods and increased expenses for the credit card business are reflected in this total. The provision for other real estate was \$1 million.

Operating noninterest expense for 1993 was \$1.854 billion, compared with \$1.764 billion a year earlier. In 1992 these expenses included charges of \$86 million principally for reserves related to occupancy, asset disposition and litigation matters.

Credit Quality

The provision for credit losses was \$70 million for the fourth quarter. This included \$62 million for the consumer portfolios and \$8 million for commercial credits.

For the year, the provision for credit losses was \$270 million, down substantially from \$425 million in 1992 before the special provision.

The Company's allowance for credit losses was \$683 million at year-end. Of this total, \$488 million was related to the commercial exposure segment and \$195 million to the consumer portfolios.

The reclassification of reserves related to securitized credit card receivables reduced the ratio of total allowance to nonperforming loans. However, it had no impact on the ratio of commercial reserves to commercial nonperforming loans, which was 209 percent at the end of 1993.

Net charge-offs were \$39 million for the fourth quarter of 1993. Commercial net charge-offs were \$10 million. Consumer net charge-offs, mainly in the credit card portfolio, were \$29 million. The net charge-off rate for credit card receivables was 3.5 percent.

COMPARATIVE EARNINGS SUMMARY

Set forth below is comparative selected financial information of the Company for the three months ended December 31, 1993 and 1992 and for the year ended December 31, 1993 and 1992.

<TABLE>
<CAPTION>

	THREE MONTHS ENDED DECEMBER 31,		
	1993	1992	CHANGE
	(DOLLARS IN MILLIONS, EXCEPT PER SHARE DATA)		
<S>	<C>	<C>	<C>
Net interest income--tax-equivalent basis...	\$ 306.9	\$ 326.2	- 6%
Provisions for credit and real estate losses (including provisions for assets held for accelerated disposition).....	71.2	81.5	-13%
Noninterest income.....	523.0	436.0	+20%
Noninterest expense (excluding provisions for other real estate).....	480.7	461.2	+ 4%
Net income.....	172.8	136.6	+27%
Earnings per share			
Primary.....	1.81	1.53	+18%
Average common and common equivalent shares (in millions).....	87.7	81.7	+ 7%
Fully diluted.....	1.77	1.49	+19%
Average shares, assuming full dilution (in millions).....	91.5	85.1	+ 7%
Average balances			
Loans.....	22,263	22,761	- 2%
Earning assets.....	48,977	47,654	+ 3%
Total assets.....	57,708	56,167	+ 3%
Common equity.....	3,451	2,616	+32%
Stockholders' equity.....	4,212	3,235	+30%
Net interest margin.....	2.49%	2.72%	- 8%
Return on assets.....	1.19%	0.97%	+23%
Return on common stockholders' equity.....	18.3%	19.0%	- 4%

<CAPTION>

	YEAR ENDED DECEMBER 31,		
	1993	1992	CHANGE
	(DOLLARS IN MILLIONS, EXCEPT PER SHARE DATA)		
<S>	<C>	<C>	<C>
Net interest income--tax-equivalent basis...	\$1,264.0	\$1,217.0	+ 4%
Provisions for credit and real estate losses (including provisions for assets held for accelerated disposition).....	274.2	1,106.9	--
Noninterest income.....	2,202.4	1,488.2	+48%
Noninterest expense (excluding provisions for other real estate).....	1,853.9	1,764.4	+ 5%
Income (loss) before cumulative effect of changes in accounting principles.....	804.5	(114.5)	--
Cumulative effect of changes in accounting principles--			
Valuation of venture capital investment se- curities.....	--	220.7	--
Recognition of credit card solicitation costs.....	--	(12.7)	--
Net income.....	804.5	93.5	--
Earnings per share			
Primary			
Income (loss) before cumulative effect of changes in accounting principles.....	8.78	(2.08)	--
Cumulative effect of changes in accounting			

principles.....	--	2.72	--
Net income.....	8.78	0.64	--
Average common and common equivalent shares (in millions).....	85.2	76.5	+11%
Fully Diluted			
Income (loss) before cumulative effect of changes in accounting principles.....	8.43	(2.08)	--
Cumulative effect of changes in accounting principles.....	--	2.72	--
Net income.....	8.43	0.64	--
Average shares, assuming full dilution (in millions).....	90.3	79.7	+13%
Average balances			
Loans.....	21,997	24,347	-10%
Earning assets.....	48,517	46,706	+ 4%
Total assets.....	56,854	54,768	+ 4%
Common equity.....	3,092	2,733	+13%
Stockholders' equity.....	3,886	3,314	+17%
Net interest margin.....	2.61%	2.61%	--
Return on assets.....	1.42%	0.17%	--
Return on common stockholders' equity.....	24.2%	1.8%	--

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CERTAIN TERMS OF THE NOTES

The following description of the particular terms of the Notes supplements, and to the extent inconsistent therewith replaces, the description of the general terms and provisions of the Notes set forth in the accompanying Basic Prospectus, to which description reference is hereby made.

GENERAL

The Notes will be limited to \$200,000,000 aggregate principal amount, will mature on January 30, 2009, and will constitute a separate series of Subordinated Notes for the purposes of the Subordinated Indenture between the Company and Bank of America National Trust and Savings Association ("Bank of America"), as successor trustee (the "Trustee") to Security Pacific National Bank. The Notes may not be redeemed prior to their stated maturity. Interest at the annual rate set forth on the cover page of this Prospectus Supplement will accrue from January 26, 1994. Interest will be payable semiannually on January 30 and July 30 (each, an "Interest Payment Date") of each year, beginning July 30, 1994, to the person in whose name the Note (or any Predecessor Note, as defined in the Subordinated Indenture) is registered at the close of business on January 15 or July 15, as the case may be, next preceding such Interest Payment Date. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months.

The Notes initially will be represented by a global security (the "Global Security") deposited with the Depository Trust Company ("DTC") and registered in the name of a nominee of DTC, except as set forth below. The Notes will be available for purchase in denominations of \$1,000 (representing 1/200,000 of the Global Security) and integral multiples thereof in book-entry form only. Unless and until certificated Notes are issued under the limited circumstances described below, no beneficial owner of a Note shall be entitled to receive a definitive certificate representing a Note. So long as DTC or any successor depository (collectively, the "Depository") or its nominee is the registered owner of the Global Security, the Depository, or such nominee, as the case may be, will be considered to be the sole owner or holder of the Notes for all purposes of the Subordinated Indenture, as amended. Unless and until it is exchanged in whole or in part for the Notes represented thereby, the Global Security may not be transferred except as a whole by the Depository to a nominee of the Depository or by a nominee of such Depository to such Depository or another nominee of such Depository or by the Depository or any nominee to a successor depository or any nominee of such successor.

Principal of and interest on the Notes is payable at the office of BankAmerica Trust Company of New York, the Company's Paying Agent in The City

of New York, presently located at 2 Broadway, New York, New York 10004, and at the principal office of The First National Bank of Chicago, the principal Paying Agent, presently located at One First National Plaza, Chicago, Illinois 60670. Payment of interest, other than at maturity, may be made at the option of the Company by check mailed to the address of the registered holder entitled thereto. So long as the Global Security represents the Notes, such payments of interest and principal will be made to the Depositary or its nominee. Payments to beneficial owners of the Notes will be made through the Depositary or its nominee, as described below. Neither the Company, the Trustee under the Subordinated Indenture, as amended, any Paying Agent, nor the Note Registrar for the Notes will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of the Global Security for such Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

BOOK ENTRY SYSTEM

DTC is a limited-purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York UCC, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participating organizations (the "Participants") and facilitate the clearance and settlement of securities transactions between Participants through electronic book-entry

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changes in accounts of its Participants, thereby eliminating the need for physical movement of certificates. Participants include securities brokers and dealers, banks, trust companies and clearing corporations and may include certain other organizations (including the Underwriters). Indirect access to the DTC system also is available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly (the "Indirect Participants"). Beneficial owners of the Notes that are not Participants or Indirect Participants but desire to purchase, sell or otherwise transfer ownership of, or other interest in, the Notes may do so only through Participants and Indirect Participants.

Payments with respect to any Global Security will be made by the Paying Agent to DTC or any successor depositary, or its nominee. The Company expects that any such Depositary, or its nominee, upon receipt of any payment of principal of or interest on the Global Security will credit the accounts of its Participants with payments in amounts proportionate to such Participants' ownership interest in the Global Security. Beneficial owners of the Notes, directly or indirectly, will receive distributions of principal and interest in proportion to their beneficial ownership through the Participants. Consequently, any payments to beneficial owners of the Notes will be subject to the terms, conditions and time of payment required by the Depositary, the Participants and Indirect Participants, as applicable. The Company expects that such payments will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in "street name". Such payments will be the responsibility of such Participants and Indirect Participants.

Under the rules, regulations and procedures creating and affecting DTC and its operations, DTC is required to make book-entry transfers among Participants on whose behalf it acts with respect to the Notes and is required to receive and transmit distributions of principal of and interest on the Notes. Participants and Indirect Participants with which beneficial owners of the Notes have accounts similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective beneficial owners of the Notes. Accordingly, although beneficial owners of the Notes will not possess certificated Notes, beneficial owners will receive payments and will be able to transfer their interests.

Since it is anticipated that the only Noteholder will be the Depositary or its nominee, beneficial owners of the Notes will not be recognized as Noteholders under the Subordinated Indenture, as amended, unless certificated

definitive Notes are issued. So long as the Notes are represented by the Global Security, beneficial owners of the Notes will only be permitted to exercise the rights of Noteholders indirectly through the Participants who in turn will exercise the rights of Noteholders through the Depositary.

If DTC is at any time unwilling, unable or ineligible to continue as depositary and a successor depositary is not appointed by the Company within 90 days, the Company will issue certificated Notes in definitive form in exchange for the Global Security. In addition, the Company may at any time determine not to have the Notes represented by the Global Security, and, in such event, will issue certificated Notes in definitive form in exchange for the Global Security. In either instance, an owner of a beneficial interest in the Global Security will be entitled to physical delivery of certificated Notes in definitive form equal in principal amount to such beneficial interest and to have such certificated Notes registered in its name. Certificated Notes so issued in definitive form will be issued in denominations of \$1,000 and integral multiples thereof and will be issued in registered form only, without coupons.

SAME-DAY FUNDS SETTLEMENT AND PAYMENT

Settlement for the Notes will be made by the Underwriter in immediately available funds. All payments of principal and interest will be made by the Company in immediately available funds.

Secondary trading in long-term notes of corporate issuers is generally settled in clearing-house or next-day funds. In contrast, the Notes will trade in the Depositary's Same-Day Funds Settlement System until maturity, and secondary market trading activity in the Notes will therefore be required by the Depositary to settle in immediately available funds. No assurance can be given as to the effect, if any, of settlement in immediately available funds on trading activity in the Notes.

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SUBORDINATION

The Notes will be unsecured and will be subordinate and junior in right of payment to the Company's obligations to the holders of Senior Indebtedness and General Obligations of the Company as described under "Description of Debt Securities--Subordinated Securities--Subordination" in the Basic Prospectus. At September 30, 1993, aggregate amount of Senior Indebtedness and General Obligations of the Company was approximately \$1.6 billion.

LIMITED RIGHT OF ACCELERATION

Payment of principal of the Notes may be accelerated only in the case of the bankruptcy or reorganization of the Company. There is no right of acceleration in the case of a default in the payment of interest on the Notes or in the performance of any other covenant of the Company in the Subordinated Indenture or in the Notes. See "Description of Debt Securities--Subordinated Securities--Events of Default, Defaults, Waivers, etc." in the Basic Prospectus.

REGARDING THE TRUSTEE

Bank of America, the successor Trustee to Security Pacific National Bank under the Subordinated Indenture, has a principal corporate trust office at 333 South Beaudry Avenue, 25th Floor, Los Angeles, California 90017. The Company has normal banking relationships with Bank of America.

UNDERWRITING

Subject to the terms and conditions set forth in the Underwriting Agreement, the Company has agreed to sell to CS First Boston Corporation (the "Underwriter"), and the Underwriter has agreed to purchase, the entire principal amount of Notes.

In the Underwriting Agreement, the Underwriter has agreed, subject to the terms and conditions set forth therein, to purchase all the Notes if any Notes

are purchased. The Company has been advised by the Underwriter that it proposes initially to offer the Notes to the public at the public offering price set forth on the cover page of this Prospectus Supplement, and to certain dealers at such price less a concession not in excess of .45% of the principal amount of the Notes. The Underwriter may allow and such dealers may reallocate a concession to certain other dealers not in excess of .25% of such principal amount. After the initial public offering, the public offering price and such concessions may be changed.

The Underwriting Agreement provides that the Company will indemnify the Underwriter against certain liabilities, including civil liabilities under the Securities Act of 1933, or contribute to payments the Underwriter may be required to make in respect thereof.

The Underwriter and its associates may be customers of, engage in transactions with, and perform services for, the Company and its subsidiaries in the ordinary course of business.

The Company has been advised by the Underwriter that it intends to make a market in the Notes; however, the Underwriter will not be obligated to do so and may discontinue market making at any time without notice. The Company cannot provide any assurance that a secondary market for the Notes will develop.

LEGAL OPINIONS

The validity of the Notes will be passed upon for the Company by Sherman I. Goldberg, Esq., Executive Vice President, Secretary and General Counsel of the Company, and for the Underwriters by Cravath, Swaine & Moore, 825 Eighth Avenue, New York, New York 10019. Cravath, Swaine & Moore has represented and continues to represent the Company from time to time in other matters. As of October 31, 1993, Sherman I. Goldberg was the record and beneficial owner of 65,686 shares of Common Stock of the Company and held options to purchase 100,310 shares of Common Stock of the Company.

EXPERTS

The financial statements incorporated by reference in the Annual Report on Form 10-K of the Company for the year ended December 31, 1992, as amended by the Company's Form 8 dated March 12, 1993, have been audited by Arthur Andersen & Co., independent public accountants, as indicated in their report with respect thereto, and are incorporated herein by reference in reliance upon the authority of said firm as experts in accounting and auditing in giving said report.

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PROSPECTUS

FIRST CHICAGO CORPORATION

DEBT SECURITIES AND WARRANTS TO PURCHASE DEBT SECURITIES

FOREIGN CURRENCY WARRANTS, STOCK-INDEX WARRANTS AND OTHER WARRANTS

PREFERRED STOCK, DEPOSITARY SHARES AND PREFERRED STOCK WARRANTS

COMMON STOCK WARRANTS

First Chicago Corporation (the "Company") may issue from time to time, together or separately, (i) in one or more series, its unsecured debt securities ("Debt Securities"), which may be either senior (the "Senior Securities") or subordinated (the "Subordinated Securities") in priority of payment, both of which may be convertible or exchangeable into common stock, par value \$5 per share, of the Company ("Common Stock"), preferred stock of the Company ("Preferred Stock"), other Debt Securities, Debt Warrants, Common Stock Warrants, Preferred Stock Warrants or Depositary Shares (each as defined herein); (ii) warrants ("Debt Warrants") to purchase Debt Securities; (iii) options, warrants or other rights relating to the exchange of certain currencies ("Currency Warrants"); (iv) options, warrants or other rights entitling the holder to receive an amount in cash determined by reference to increases ("Stock-Index Call Warrants") and decreases ("Stock-Index Put Warrants" and, collectively with Stock-Index Call Warrants, being referred to herein as the "Stock-Index Warrants") in the level of a specified stock-index which may be based on one or more U.S. or foreign stocks or a combination

thereof; (v) options, warrants or other rights relating to other items or indices ("Other Warrants"); (vi) shares of Preferred Stock which may be convertible into shares of Common Stock or exchangeable for Debt Securities; (vii) shares of Preferred Stock represented by depositary shares ("Depositary Shares"); (viii) warrants to purchase shares of Preferred Stock ("Preferred Stock Warrants"); and (ix) warrants to purchase shares of Common Stock ("Common Stock Warrants"), in amounts, at prices and on terms to be determined at the time of the offering. The Debt Warrants, Currency Warrants, Stock-Index Warrants, Other Warrants, Preferred Stock Warrants and Common Stock Warrants are collectively referred to herein as the "Warrants"; and the Debt Securities, Warrants, shares of Preferred Stock and Depositary Shares are collectively referred to herein as the "Securities".

The Company may issue Securities for proceeds up to an aggregate of \$1,500,000,000, or the equivalent thereof if any of the Securities are denominated in a foreign currency or a foreign currency unit, including the European Currency Unit ("ECU"). The Securities of each series will be offered on terms determined at the time of sale. The Securities may be sold for U.S. dollars, foreign currencies or foreign currency units, and the principal of, and any interest on, the Debt Securities may be payable in U.S. dollars, foreign currencies or foreign currency units.

The Senior Securities will rank equally with all other unsubordinated and unsecured indebtedness of the Company. The Subordinated Securities will be unsecured and subordinated as described under "Subordinated Securities".

Unless otherwise specified in the Prospectus Supplement relating to Subordinated Securities, payment of the principal of Subordinated Securities may be accelerated only in the case of certain events involving the bankruptcy or insolvency of the Company, and no right of acceleration will exist in the case of default in the payment of principal or interest or in the performance of any covenant.

When a particular series of Securities, in respect of which this Prospectus is being delivered, is offered, a supplement to this Prospectus (the "Prospectus Supplement") setting forth certain terms of the offered Securities will be delivered together with this Prospectus. The applicable Prospectus Supplement, among other things and where applicable, will include: (i) with regard to Debt Securities, the specific designation, priority, aggregate principal amount, currency or currency unit, rate (or method of calculation) and time of payment of any interest, authorized denominations, maturity, offering price, place or places of payment, redemption terms, terms of any repayment at the option of the holder, special provisions relating to Debt Securities in bearer form, terms for sinking fund payments, terms for conversion or exchange into other securities, provisions regarding original issue discount securities and other terms of such Debt Securities; (ii) with regard to Warrants, where applicable, the duration, aggregate amount, offering price, exercise price, and detachability; (iii) with regard to Debt Warrants, Preferred Stock Warrants and Common Stock Warrants, the applicable type and amount of Securities covered thereby; (iv) with regard to Stock-Index Warrants or Other Warrants, the applicable securities index or other items or indices with respect to which such warrants shall apply and the method of determining the cash value payable in connection with the exercise of such warrants; (v) with regard to Currency Warrants, the currency to which U.S. Dollars will be compared, the method of determining the cash value payable in connection with the exercise of such Currency Warrants, the manner in which such Currency Warrants may be exercised and any restrictions on exercise of such Currency Warrants; (vi) with regard to Preferred Stock, the specific number of shares, title, stated value and liquidation preference of each share, issuance price, dividend rate or method of calculation, dividend periods, dividend payment dates, any redemption or sinking fund provisions, any conversion or exchange provisions, whether fractional interests in shares of Preferred Stock will be offered through depositary arrangements and other specific terms of each series of Preferred Stock; and (vii) in the case of Depositary Shares, the fraction of a share of Preferred Stock which each such Depositary Share will represent.

The Prospectus Supplement will also contain information, where applicable, about certain U.S. federal income tax considerations relating to, and any listing on a securities exchange of, the Securities covered by the Prospectus Supplement.

The Securities may be sold by the Company directly, through agents designated from time to time, through underwriting syndicates led by one or more managing underwriters or through one or more underwriters acting alone. If any agent of the Company, or any underwriter, is involved in the sale of

the Securities, the name of such agent or underwriter, the principal or stated amount to be purchased by it, any applicable commissions or discounts and the net proceeds to the Company from such sale will be set forth in, or may be calculated from, the Prospectus Supplement. The Company may also issue contracts under which the counterparty may be required to purchase Debt Securities, Preferred Stock, Depositary Shares or Common Stock. Such contracts would be issued with the Debt Securities, Preferred Stock, Depositary Shares and/or Warrants in amounts, at prices and on terms to be set forth in the applicable Prospectus Supplement. The aggregate net proceeds to the Company from the sale of all the Securities will be the public offering or purchase price of the Securities sold less the aggregate of such commissions and discounts and other expenses of issuance and distribution. See "Plan of Distribution".

THESE SECURITIES ARE NOT SAVINGS OR DEPOSIT ACCOUNTS OR OTHER OBLIGATIONS OF A BANK AND ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, THE BANK INSURANCE FUND OR ANY OTHER GOVERNMENTAL AGENCY.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this Prospectus is November 4, 1993.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION OTHER THAN THOSE CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS AND THE PROSPECTUS SUPPLEMENT IN CONNECTION WITH THE OFFERING MADE HEREBY, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY OR BY ANOTHER PERSON. THIS PROSPECTUS AND THE PROSPECTUS SUPPLEMENT DO NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY OF THE SECURITIES OFFERED HEREBY IN ANY JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER IN SUCH JURISDICTION.

AVAILABLE INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports and other information with the Securities and Exchange Commission (the "Commission"). Information, as of particular dates, concerning directors and executive officers, their compensation, options granted to them, the principal holders of securities of the Company and any material interest of such persons in transactions with the Company is disclosed in proxy statements distributed to stockholders of the Company and filed with the Commission. Such reports, proxy statements and other information can be inspected and copied at the Public Reference Room of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, and the Commission's Regional Offices at 500 West Madison Street, Suite 1400, Chicago, Illinois 60661 and Seven World Trade Center (13th Floor), New York, New York 10048. Copies of such material can be obtained from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549 at prescribed rates. In addition, such reports, proxy statements and other material concerning the Company can be inspected at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York; the Chicago Stock Exchange, 440 South LaSalle Street, Chicago, Illinois; and the Pacific Stock Exchange, 301 Pine Street, San Francisco, California.

The Company has filed with the Commission a Registration Statement under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the Securities being offered by this Prospectus. This Prospectus does not contain all the information set forth in the Registration Statement, certain portions of which have been omitted as permitted by the rules and regulations of the Commission. For further information with respect to the Company and the Securities, reference is made to the Registration Statement, including the exhibits thereto. The Registration Statement may be inspected by anyone without charge at the principal office of the Commission in Washington, D.C. and copies of all or any part of it may be obtained from the Commission upon payment of

the prescribed fees.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents heretofore filed by the Company with the Commission pursuant to Section 13 of the Exchange Act are incorporated herein by reference:

(i) The Company's Annual Report on Form 10-K for the year ended December 31, 1992, as amended by the Company's Form 8 dated March 12, 1993;

(ii) The Company's Quarterly Reports on Form 10-Q for the quarters ended March 31, 1993 and June 30, 1993;

(iii) The Company's Current Reports on Form 8-K dated January 14, 1993, January 20, 1993, February 26, 1993, March 3, 1993, March 5, 1993, April 16, 1993, July 14, 1993, July 30, 1993 and October 13, 1993;

(iv) Item 14 on pages 26 and 27 of the Company's Registration Statement on Form 10 (File No. 1-6052) describing the Company's Common Stock; and

(v) The Company's Registration Statement on Form 8-A dated November 25, 1988, describing the Preferred Share Purchase Rights declared by the Company on November 18, 1988, as amended by Amendment No. 1 on Form 8 dated July 16, 1990.

All documents filed pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this Prospectus and prior to the termination of the offering of the Securities shall be deemed to be

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incorporated by reference into this Prospectus and to be a part hereof from the date of filing of such documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

ANY PERSON RECEIVING A COPY OF THIS PROSPECTUS MAY OBTAIN WITHOUT CHARGE, UPON WRITTEN OR ORAL REQUEST, A COPY OF ANY OF THE DOCUMENTS INCORPORATED BY REFERENCE HEREIN, EXCEPT FOR THE EXHIBITS TO SUCH DOCUMENTS (UNLESS SUCH EXHIBITS ARE SPECIFICALLY INCORPORATED BY REFERENCE INTO SUCH DOCUMENTS). REQUESTS SHOULD BE ADDRESSED TO FIRST CHICAGO CORPORATION, ONE FIRST NATIONAL PLAZA, CHICAGO, ILLINOIS 60670, ATTENTION: INVESTOR RELATIONS (312) 732-4812.

FIRST CHICAGO CORPORATION

GENERAL

The Company is a multi-bank holding company incorporated in Delaware. At June 30, 1993, the Company had consolidated assets of \$49.9 billion and total equity capital of \$3.9 billion. The principal asset of the Company is the capital stock of The First National Bank of Chicago ("FNBC"), which provides a broad range of banking, fiduciary, financial and other services domestically and overseas. At June 30, 1993, FNBC had deposits of \$22.8 billion and assets of approximately \$34.1 billion.

The Company also owns all the outstanding capital stock of American National Corporation ("ANC") and FCC National Bank ("FCCNB"). ANC is the holding company for American National Bank and Trust Company of Chicago ("ANB"), several suburban Chicago banks and American National Bank and Trust Company of Wisconsin. FCCNB is a Delaware-based bank primarily engaged in the issuance of VISA and MasterCard credit cards. Together with these banking organizations, the Company, directly or indirectly, owns the stock of various nonbank companies engaged in businesses related to banking and finance, including

venture capital and leasing subsidiaries.

In addition to its equity investment in subsidiaries, the Company, directly or indirectly, raises funds principally to finance the operations of its nonbank subsidiaries. A substantial portion of the Company's annual income typically has been derived from dividends from its subsidiaries, and from interest on loans, some of which are subordinated, to its subsidiaries.

Because the Company is a holding company, its rights and the rights of its creditors, including the holders of the Debt Securities, to participate in the assets of any subsidiary upon the subsidiary's liquidation or recapitalization would be subject to the prior claims of such subsidiary's creditors except to the extent that the Company may itself be a creditor with recognized claims against the subsidiary.

The Company's executive offices are located at One First National Plaza, Chicago, Illinois 60670, and the telephone number is (312) 732-4000.

SUPERVISION AND REGULATION

The Company is a legal entity separate and distinct from the Company's banking subsidiaries (the "Banks") and the Company's other affiliates. Investors should be aware of the various legal limitations on the extent to which the Banks can finance or otherwise supply funds to the Company or various of its affiliates. In particular, the Banks are subject to certain restrictions imposed by the laws of the United States on any extensions of credit to the Company or, with certain exceptions, other affiliates, on investments in stock or other securities thereof, on the taking of such securities as collateral for loans, and on the terms of transactions between the Banks and other subsidiaries. FNBC, FCCNB, ANB and the other Banks are subject to regulation by the Office of the Comptroller of the Currency (the "Comptroller"), the Board of Governors of

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the Federal Reserve System (the "Federal Reserve Board") and the Federal Deposit Insurance Corporation ("FDIC"). These national banks are examined by the Comptroller, and FNBC's and ANB's operations in other countries are subject to various restrictions imposed by the laws of such countries.

Federal law prohibits the Company and certain of its affiliates from borrowing from the Banks without the prior approval of the respective Bank's Board of Directors and unless such loans are secured by U.S. Treasury or other specified obligations. Further, such secured loans and investments by any of the Banks are limited in amount as to the Company or any other such affiliate to 10% of the respective Bank's capital and surplus and as to the Company and all such affiliates to an aggregate 20% of the respective Bank's capital and surplus. Under Federal Reserve Board policy, the Company is expected to act as a source of financial strength to each Bank and to commit resources to support such Bank in circumstances where it might not do so absent such policy. In addition, any capital loans by the Company to any of the Banks would be subordinate in right of payment to deposits and to certain other indebtedness of such Bank.

Additionally, there are certain regulatory limitations on the payment of dividends to the Company by the Banks. Dividend payments by national banks are limited to the lesser of (i) the level of "undivided profits then on hand" less the amount of bad debts, as defined, in excess of the allowance for credit losses and (ii) absent regulatory approval, an amount not in excess of "net profits" for the current year combined with "retained net profits" for the preceding two years. As of December 31, 1992, the Banks could have declared additional dividends of approximately \$172 million without approval of the Comptroller. The payment of dividends by any Bank may also be affected by other factors, such as the maintenance of adequate capital for such Bank. The Comptroller also has authority under the Financial Institutions Supervisory Act to prohibit a national bank from paying dividends if, in the Comptroller's opinion, the payment of dividends would, in light of the financial condition of such bank, constitute an unsafe or unsound practice.

CAPITAL ADEQUACY

The Federal Reserve Board has adopted risk-based capital guidelines for bank holding companies which require bank holding companies to maintain a minimum ratio of total capital to risk-weighted assets (including certain off-balance-sheet items, such as standby letters of credit) of 8%. At least half of total capital has to be composed of common stock, retained earnings, minority interests in the equity accounts of consolidated subsidiaries, noncumulative perpetual preferred stock and a limited amount of perpetual preferred stock, less goodwill ("Tier I capital"). The remainder ("Tier II capital") may consist of subordinated debt, other preferred stock, certain other instruments and a limited amount of loan loss reserves. At June 30, 1993, the Company's consolidated Tier I capital and total capital ratios were 8.0% and 13.0%, respectively.

In addition, the Federal Reserve Board has established minimum leverage ratio guidelines for bank holding companies. These guidelines provide for a minimum ratio of Tier I capital to total assets, less goodwill (the "leverage ratio") of 3% for bank holding companies that meet certain specified criteria, including those having the highest regulatory rating. All other bank holding companies generally are required to maintain a leverage ratio of at least 3% plus an additional cushion of 100 to 200 basis points. The Company's leverage ratio at June 30, 1993 was 7.4%. The guidelines also provide that the bank holding companies experiencing internal growth or making acquisitions will be expected to maintain strong capital positions substantially above the minimum supervisory levels without significant reliance on intangible assets. Furthermore, the Federal Reserve Board has indicated that it will consider a "tangible Tier I capital leverage ratio" (deducting all intangibles) and other indicia of capital strength in evaluating proposals for expansion or new activities.

Each of the Banks is subject to similar risk-based and leverage capital requirements adopted by the Federal Reserve Board, the FDIC or the Comptroller, as the case may be. Each of the Company's Banks was in compliance with the applicable minimum capital requirements as of June 30, 1993. Neither the Company nor any of the Banks has been advised by any federal banking agency of any specific minimum leverage ratio requirement applicable to it.

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Failure to meet capital requirements could subject a bank to a variety of enforcement remedies, including the termination of deposit insurance by the FDIC, and to certain restrictions on its business, which are described below under "Recent Legislation".

Bank regulators continue to indicate their desire to raise capital requirements applicable to banking organizations beyond their current levels. However, the management of the Company is unable to predict whether higher capital requirements would be imposed and, if so, at what levels and on what schedule.

RECENT LEGISLATION

The Federal Deposit Insurance Corporation Improvement Act of 1991 ("FDICIA"), enacted in December 1991, significantly expanded the regulatory and enforcement powers of federal banking regulators, in particular the FDIC. While the full impact of FDICIA cannot yet be determined, it has important consequences for the Company, the Banks and other depository institutions located in the United States.

FDICIA establishes five tiers of capital measurement for regulatory purposes ranging from "well capitalized" to "critically undercapitalized." Under regulations adopted by the federal banking agencies, a depository institution is well capitalized if it significantly exceeds the minimum level required by regulation for each relevant capital measure, adequately capitalized if it meets such measure, undercapitalized if it fails to meet any such measure, significantly undercapitalized if it is significantly below such measure and critically undercapitalized if its tangible equity is not greater than 2% of total tangible assets. A depository institution may be deemed to be in a

capitalization category that is lower than is indicated by its actual capital position if it receives an unsatisfactory examination rating. FDICIA directs banking regulators to take increasingly strong corrective steps, based on the capital tier of any subject bank, to cause such bank to achieve and maintain capital adequacy. Even if a bank is adequately capitalized, however, the banking regulators are authorized to apply corrective measures if the bank is determined to be in an unsafe or unsound condition or engaging in an unsafe or unsound activity.

"Undercapitalized" banks are subject to growth limitations and are required to submit a capital restoration plan. Such banks will be subject to restrictions on borrowings from the Federal Reserve System, effective December 19, 1993. If an "undercapitalized" bank fails to submit an acceptable plan, it is treated as if it is significantly undercapitalized. "Significantly undercapitalized" banks may be subject to a number of requirements and restrictions, including orders to sell sufficient voting stock to become adequately capitalized, requirements to reduce total assets, and orders to cease receiving deposits from correspondent banks. "Critically undercapitalized" institutions are subject to appointment of a receiver or conservator.

In addition to the foregoing, depending on the level of capital of an insured depository institution, the banking regulatory agencies' corrective powers can include: requiring a capital restoration plan; placing limits on asset growth and restrictions on activities; requiring the institution to issue additional stock (including voting stock) or to be acquired; placing restrictions on transactions with affiliates; restricting the interest rate the institution may pay on deposits; ordering a new election for the institution's board of directors; requiring that certain senior executive officers or directors be dismissed; prohibiting the institution from accepting deposits from correspondent banks; requiring the institution to divest certain subsidiaries; prohibiting the payment of principal or interest on subordinated debt; prohibiting the institution's parent bank holding company from making capital distributions without prior regulatory approval; and, ultimately, appointing a receiver for the institution.

If the insured depository institution is undercapitalized, the parent bank holding company is required to guarantee that the institution will comply with any capital restoration plan submitted to, and approved by, the appropriate federal banking agency in an amount equal to the lesser of (i) 5% of the institution's total assets at the time the institution became undercapitalized or (ii) the amount which is necessary (or would have been necessary) to bring the institution into compliance with all applicable capital standards as of the time the institution fails to comply with the capital restoration plan. If such parent bank holding company guarantee is not obtained, the capital restoration plan may not be accepted by the banking regulators. As a

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result, such institution would be subject to the more severe restrictions imposed on significantly undercapitalized institutions. Further, the failure of such a depository institution to submit an acceptable capital plan is grounds for the appointment of a conservator or receiver.

FDICIA also contains a number of other provisions affecting depository institutions, including the creation of additional reporting and independent auditing requirements, the changing of FDIC insurance premiums from flat amounts to a new system of risk-based assessments as described below under "FDIC Insurance," a review of accounting standards, and supplemental disclosures and limits on the ability of all but well capitalized depository institutions to acquire brokered deposits.

It is anticipated that FDICIA will result in increased costs for the banking industry due to higher FDIC assessments and more limitations on the activities of all but the most well-capitalized banks.

In addition to FDICIA, there have been proposed a number of legislative and regulatory proposals designed to strengthen the federal deposit insurance system and to improve the overall financial stability of the U.S. banking

system. These include proposals to increase capital requirements above presently published guidelines, to place special assessments on banks to increase funds available to the FDIC, and to allow national banks to branch on an interstate basis. It is impossible to predict whether or in what form these proposals may be adopted in the future and, if adopted, what their effect would be on the Banks and the Company.

The Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA"), among other things, provides generally that, upon the default of any bank of a multi-unit holding company, the FDIC may assess an affiliated insured depository institution for the estimated losses incurred by the FDIC. Specifically, FIRREA provides that a depository institution insured by the FDIC can be held liable for any loss incurred by, or reasonably expected to be incurred by, the FDIC, in connection with (i) the default of a commonly controlled FDIC-insured depository institution or (ii) any assistance provided by the FDIC to a commonly controlled FDIC-insured depository institution in danger of a default. "Default" is defined generally as the appointment of a conservator or receiver. "In danger of a default" is defined generally as the existence of certain conditions indicating that a default is likely to occur in the absence of regulatory assistance. All of the Banks are FDIC-insured depository institutions.

FDIC INSURANCE

The Banks are subject to FDIC deposit insurance assessments. Under FDICIA, authority has been granted to the FDIC to impose special assessments on insured depository institutions to repay FDIC borrowings from the United States Treasury or other sources and to establish semiannual assessment rates for the Bank Insurance Fund (the "BIF"). FDICIA provides that FDIC deposit insurance assessments are to move from flat rate premiums to a new system of risk-based premium assessments. On October 1, 1992, the FDIC amended its regulations to adopt a transitional risk-based assessment system, under which the assessment rate for an insured depository institution varies according to the level of risk incurred in its activities. Such system has been adopted in connection with the FDIC's establishment of a schedule to recapitalize the BIF within 15 years.

Under the FDIC's transitional risk-based assessment system, the prior flat assessment rate of 0.23% per annum was changed, effective January 1, 1993, to a rate based upon classification of a depository institution in one of nine assessment risk categories. Such classification is based upon whether the institution is well capitalized, adequately capitalized or undercapitalized, and upon certain supervisory evaluations of the institution as "healthy", causing "supervisory concern" or causing "substantial supervisory concern" (designated as supervisory subgroups "A", "B" and "C", respectively, for reference purposes). For purposes of this regulation, a depository institution is defined to be well capitalized if it maintains a risk-based total capital ratio of at least 10%, a risk-based Tier I capital ratio of at least 6.0% and a Tier I leverage ratio of at least 5.0%, adequately capitalized if the foregoing ratios are maintained at 8.0%, 4.0% and 4.0%, respectively, and undercapitalized if it is neither well capitalized nor adequately capitalized. With respect to

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the supervisory evaluations, healthy institutions are financially sound institutions with few minor weaknesses; supervisory concern refers to institutions that demonstrate weaknesses which, if not corrected, could result in significant deterioration, and substantial supervisory concern refers to institutions for which there is a substantial probability that the FDIC will suffer a loss in connection with the institution unless effective action is taken to correct the areas of weakness.

The transitional assessment rate schedule adopted creates a 0.08% spread in assessment rates between banks classified as strongest and weakest by the FDIC. Under the transitional assessment rate schedule, a well capitalized bank in subgroup A will continue to be assessed at the current rate of 0.23% per annum, in subgroup B at 0.26% per annum and in subgroup C at 0.29% per annum. An adequately capitalized bank in subgroup A will be assessed at 0.26% per annum,

in subgroup B at 0.29% per annum and in subgroup C at 0.30% per annum. An undercapitalized bank in subgroup A will be assessed at 0.29% per annum, in subgroup B at 0.30% per annum and in subgroup C at 0.31% per annum.

In June 1993, the FDIC adopted final rules for the risk-based assessment system to be implemented as of January 1, 1994. The permanent risk-based assessment system retains unchanged the transitional assessment rate schedule and risk classification categories. The FDIC has indicated, however, the possibility that it may revisit both issues at a later date if future conditions so warrant.

CONSOLIDATED RATIOS OF EARNINGS TO FIXED CHARGES

The ratios of earnings to fixed charges for the Company, which are computed on the basis of the total enterprise (as defined by the Commission) by dividing earnings before fixed charges and income taxes by fixed charges, are set forth below for the periods indicated. Also set forth below are the ratios of earnings to combined fixed charges and preferred stock dividends, which are computed on the basis of the total enterprise by dividing earnings before fixed charges and income taxes by fixed charges and preferred stock dividend requirements for the periods indicated. Fixed charges consist principally of interest expense on all long- and short-term borrowings, excluding or including interest on deposits as indicated.

<TABLE>
<CAPTION>

	YEAR ENDED DECEMBER 31,					SIX MONTHS ENDED JUNE 30,
	1992	1991	1990	1989	1988	1993
Earnings to Fixed Charges:						
Excluding interest expense on deposits.....	0.7x(1)	1.2x	1.3x	1.5x	2.0x	2.5x
Including interest expense on deposits.....	0.9x(1)	1.1x	1.1x	1.1x	1.2x	1.8x
Earnings to Combined Fixed Charges and Preferred Dividends:						
Excluding interest expense on deposits.....	0.8x(2)	1.1x	1.3x	1.5x	1.9x	2.2x
Including interest expense on deposits.....	0.7x(2)	1.0x	1.1x	1.1x	1.2x	1.7x

- </TABLE>
- (1) For 1992, earnings (as defined) were insufficient to cover fixed charges. The coverage deficiency was approximately \$201 million.
 - (2) For 1992, earnings (as defined) were insufficient to cover combined fixed charges and preferred stock dividends. The coverage deficiency was approximately \$279 million.

USE OF PROCEEDS

Unless otherwise provided in the Prospectus Supplement, the Company will use the net proceeds from the sale of the Securities for general corporate purposes, including the funding of investments in, or extensions of credit to, the Company's subsidiaries. Pending the uses described above, the Company may temporarily invest the net proceeds from the sale of the Securities in various short-term securities or apply the net proceeds to reduce short-term indebtedness. Based upon the historic and anticipated future growth of the Company and the financial needs of its subsidiaries, the Company anticipates that it will, on a recurrent basis, engage in additional financings in character and amount to be determined.

DESCRIPTION OF DEBT SECURITIES

The Debt Securities will constitute either Senior Securities or Subordinated Securities. The Senior Securities will be issued under either an Indenture dated as of August 1, 1987, as amended by the First Supplemental Indenture, dated as of March 1, 1989, between the Company and Citibank, N.A., as Trustee ("Citibank"), or an Indenture dated as of May 1, 1990 between the Company and Norwest Bank Minnesota, National Association, as Trustee ("Norwest"). The Indenture under which particular Senior Securities are issued and the Trustee thereunder will be identified in the Prospectus Supplement. Collectively, the two senior Indentures described above are referred to herein as the "Senior Indenture". The Subordinated Securities will be issued under an Indenture dated as of August 1, 1987, as amended by the First Supplemental Indenture, dated as of March 1, 1989 and the Second Supplemental Indenture, dated as of January 1, 1993 (the "Second Supplemental Indenture") (as so supplemented, the "Subordinated Indenture"), between the Company and Bank of America National Trust and Savings Association ("Bank of America"), as successor Trustee to Security Pacific National Bank. The Senior Indenture and the Subordinated Indenture are collectively referred to herein as the "Indentures". References to the "Trustee" shall mean Citibank, Norwest or Bank of America, as applicable. The statements under this caption are brief summaries of certain provisions contained in the Indentures, do not purport to be complete and are qualified in their entirety by reference to the applicable Indenture, copies of which are exhibits to the Registration Statement. Whenever defined terms are used but not defined herein, such terms shall have the meanings ascribed to them in the applicable Indenture, it being intended that such defined terms shall be incorporated herein by reference.

The following description of the terms of the Debt Securities sets forth certain general terms and provisions of the Debt Securities to which any Prospectus Supplement may relate. The particular terms of any Debt Securities and the extent, if any, to which such general provisions may apply to such Debt Securities will be described in the Prospectus Supplement relating to such Debt Securities.

None of the Indentures limits the amount of Debt Securities which may be issued thereunder, and each Indenture provides that Debt Securities of any series may be issued thereunder up to the aggregate principal amount which may be authorized from time to time by the Company and may be denominated in any currency or currency unit designated by the Company. Neither the Indentures nor the Debt Securities will limit or otherwise restrict the amount of other indebtedness which may be incurred or the other securities which may be issued by the Company or any of its subsidiaries.

Debt Securities of a series may be issuable in registered form without coupons ("Registered Securities"), in bearer form with or without coupons attached ("Bearer Securities") or in the form of one or more global securities in registered or bearer form (each a "Global Security"). Bearer Securities, if any, will be offered only to non-United States persons and to offices located outside the United States of certain United States financial institutions.

Reference is made to the Prospectus Supplement for a description of the following terms, where applicable, of each series of Debt Securities in respect of which this Prospectus is being delivered: (1) the title of such Debt Securities; (2) the limit, if any, on the aggregate principal amount or aggregate initial public offering price of such Debt Securities; (3) the priority of payment of such Debt Securities; (4) the price or prices (which may be expressed as a percentage of the aggregate principal amount thereof) at which the Debt Securities will be issued; (5) the date or dates on which the principal of the Debt Securities will be payable; (6) the rate or rates (which may be fixed or variable) per annum at which such Debt Securities will bear interest, if any, or the method of determining the same; (7) the date or dates from which such interest, if any, on the Debt Securities will accrue, the date or dates on which such interest, if any, will be payable, the date or dates on which payment of such interest, if any, will commence and the Regular Record Dates for such Interest Payment Dates; (8) the extent to which any of the Debt Securities will be issuable in temporary or permanent global form, or the manner in which any interest payable on a temporary or permanent global Debt Security will be paid; (9) each office or agency where, subject to the terms of the applicable Indenture, the Debt Securities may be presented for registration

of transfer or exchange; (10) the place or places where

the principal of (and premium, if any) and interest, if any, on the Debt Securities will be payable; (11) the date or dates, if any, after which such Debt Securities may be redeemed or purchased in whole or in part, at the option of the Company or mandatorily pursuant to any sinking, purchase or analogous fund or may be required to be purchased or redeemed at the option of the holder, and the redemption or repayment price or prices thereof; (12) the denomination or denominations in which such Debt Securities are authorized to be issued; (13) the currency, currencies or units (including ECU) based on or related to currencies for which the Debt Securities may be purchased and the currency, currencies or currency units (including ECU) in which the principal of, premium, if any, and any interest on such Debt Securities may be payable; (14) any index used to determine the amount of payments of principal of, premium, if any, and interest on the Debt Securities; (15) whether any of the Debt Securities are to be issuable as Bearer Securities and/or Registered Securities, and if issuable as Bearer Securities, any limitations on issuance of such Bearer Securities and any provisions regarding the transfer or exchange of such Bearer Securities (including exchange for registered Debt Securities of the same series); (16) the payment of any additional amounts with respect to the Debt Securities; (17) whether any of the Debt Securities will be issued as Original Issue Discount Securities (as defined below); (18) information with respect to book-entry procedures, if any; (19) the terms, if any, upon which the Debt Securities may be convertible into or exchanged for Common Stock, Preferred Stock (which may be represented by Depositary Shares), other Debt Securities, Debt Warrants, Common Stock Warrants or Preferred Stock Warrants of the Company and the terms and conditions upon which such conversion or exchange will be effected, including the initial conversion or exchange price or rate, the conversion or exchange period and any other provision in addition to or in lieu of those described herein; (20) any additional covenants or Events of Default not currently set forth in the applicable Indenture; and (21) any other terms of such Debt Securities not inconsistent with the provisions of the applicable Indenture.

If any of the Debt Securities are sold for one or more foreign currencies or foreign currency units or if the principal of, premium, if any, or interest on any series of Debt Securities is payable in one or more foreign currencies or foreign currency units, the restrictions, elections, tax consequences, specific terms and other information with respect to such issue of Debt Securities and such currencies or currency units will be set forth in the Prospectus Supplement relating thereto.

Debt Securities may be issued as original issue discount Debt Securities (bearing no interest or interest at a rate which at the time of issuance is below market rates) ("Original Issue Discount Securities"), to be sold at a substantial discount below the stated principal amount thereof due at the stated maturity of such Debt Securities. There may not be any periodic payments of interest on Original Issue Discount Securities as defined herein. In the event of an acceleration of the maturity of any Original Issue Discount Security, the amount payable to the holder of such Original Issue Discount Security upon such acceleration will be determined in accordance with the Prospectus Supplement, the terms of such security and the Indenture, but will be an amount less than the amount payable at the maturity of the principal of such Original Issue Discount Security. Federal income tax considerations with respect to Original Issue Discount Securities will be set forth in the Prospectus Supplement relating thereto.

REGISTRATION AND TRANSFER

Unless otherwise indicated in the applicable Prospectus Supplement, Debt Securities will be issued only as Registered Securities. If Bearer Securities are issued, the United States Federal income tax consequences and other special considerations, procedures and limitations applicable to such Bearer Securities will be described in the Prospectus Supplement relating thereto.

Debt Securities issued as Registered Securities will be without coupons. Debt Securities issued as Bearer Securities shall have interest coupons attached,

unless issued as zero coupon securities.

Registered Securities (other than a Global Security) may be presented for transfer (with the form of transfer endorsed thereon duly executed) or exchanged for other Debt Securities of the same series at the office of the Note Registrar specified according to the terms of the applicable Indenture. The Company has agreed in each of the Indentures that, with respect to Registered Securities having The City of New York as a place of payment, the Company will appoint a Note Registrar or Co-Note Registrar located in The City of

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New York for such transfer or exchange. Such transfer or exchange shall be made without service charge, but the Company may require payment of any taxes or other governmental charges as described in the applicable Indenture. Provisions relating to the exchange of Bearer Securities for other Debt Securities of the same series (including, if applicable, Registered Securities) will be described in the applicable Prospectus Supplement. In no event, however, will Registered Securities be exchangeable for Bearer Securities.

GLOBAL SECURITIES

The Debt Securities of a series may be issued in whole or in part in the form of one or more Global Securities that will be deposited with, or on behalf of, a depository (the "Depository") identified in the Prospectus Supplement relating to such series. Global Securities may be issued in either registered or bearer form and in either temporary or permanent form. Unless and until it is exchanged in whole or in part for the individual Debt Securities represented thereby, a Global Security may not be transferred except as a whole by the Depository for such Global Security to a nominee of such Depository or by a nominee of such Depository to such Depository or another nominee of such Depository or by the Depository or any nominee to a successor Depository or any nominee of such successor.

The specific terms of the depository arrangement with respect to a series of Debt Securities and certain limitations and restrictions relating to a series of Bearer Securities in the form of one or more Global Securities, will be described in the Prospectus Supplement relating to such series. The Company anticipates that the following provisions will generally apply to depository arrangements.

Upon the issuance of a Global Security, the Depository for such Global Security or its nominee will credit, on its book-entry registration and transfer system, the respective principal amounts of the individual Debt Securities represented by such Global Security to the accounts of persons that have accounts with such Depository. Such accounts shall be designated by the underwriters or agents with respect to such Debt Securities. Ownership of beneficial interests in a Global Security will be limited to persons that have accounts with the applicable Depository ("participants") or persons that may hold interests through 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 applicable Depository or its nominee (with respect to interests of participants) and the records of participants (with respect to interests of persons other than participants). The laws of some states require that certain purchasers of securities take physical delivery of such securities in definitive form. Such limits and such laws may impair the ability to transfer beneficial interests in a Global Security.

So long as the Depository for a Global Security, or its nominee, is the registered owner of such Global Security, such Depository or such nominee, as the case may be, will be considered the sole owner or holder of the Debt Securities represented by such Global Security for all purposes under the Indenture governing such Debt Securities. Except as provided below, owners of beneficial interests in a Global Security will not be entitled to have any of the individual Debt Securities of the series represented by such Global Security registered in their names, will not receive or be entitled to receive physical delivery of any such Debt Securities of such series in definitive form

and will not be considered the owners or holders thereof under the Indenture governing such Debt Securities.

Payments of principal of, premium, if any, and interest, if any, on individual Debt Securities represented by a Global Security registered in the name of a Depository or its nominee will be made to the Depository or its nominee, as the case may be, as the registered owner of the Global Security representing such Debt Securities. Neither the Company, the Trustee for such Debt Securities, any Paying Agent, nor the Note Registrar for such Debt Securities will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of the Global Security for such Debt Securities or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Subject to certain restrictions relating to Bearer Securities, the Company expects that the Depository for a series of Debt Securities or its nominee, upon receipt of any payment of principal, premium or interest in

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respect of a permanent Global Security representing any of such Debt Securities immediately will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of such Global Security for such Debt Securities as shown on the records of such Depository or its nominee. The Company also expects that payments by 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". Such payments will be the responsibility of such participants. With respect to owners of beneficial interests in a temporary Global Security representing Bearer Securities, receipt by such beneficial owners of payments of principal, premium or interest in respect thereof will be subject to additional restrictions.

If the Depository for a series of Debt Securities is at any time unwilling, unable or ineligible to continue as depository and a successor depository is not appointed by the Company within 90 days, the Company will issue individual Debt Securities of such series in definitive form in exchange for the Global Security representing such series of Debt Securities. In addition, the Company may at any time and in its sole discretion, subject to any limitations described in the Prospectus Supplement relating to such Debt Securities, determine not to have any Debt Securities of a series represented by one or more Global Securities and, in such event, will issue individual Debt Securities of such series in definitive form in exchange for the Global Security or Securities representing such series of Debt Securities. Further, if the Company so specifies with respect to the Debt Securities of a series, an owner of a beneficial interest in a Global Security representing Debt Securities of such series may, on terms acceptable to the Company, Trustee and the Depository for such Global Security, receive Debt Securities of such series in definitive form in exchange for such beneficial interests, subject to any limitations described in the Prospectus Supplement relating to such Debt Securities. In any such instance, an owner of a beneficial interest in a Global Security will be entitled to physical delivery in definitive form of Debt Securities of the series represented by such Global Security equal in principal amount to such beneficial interest and to have such Debt Securities registered in its name (if the Debt Securities of such series are issuable as Registered Securities). Debt Securities of such series so issued in definitive form will be issued (a) as Registered Securities in denominations, unless otherwise specified by the Company, of \$1,000 and integral multiples thereof if the Debt Securities of such series are issuable as Registered Securities, (b) as Bearer Securities in the denomination, unless otherwise specified by the Company, of \$5,000 if the Debt Securities of such series are issuable as Bearer Securities or (c) as either Registered or Bearer Securities, if the Debt Securities of such series are issuable in either form. Certain restrictions may apply, however, on the issuance of a Bearer Security in definitive form in exchange for an interest in a Global Security.

PAYMENT AND PAYING AGENTS

Unless otherwise indicated in an applicable Prospectus Supplement, payment of principal of, premium, if any, and any interest on Registered Securities will be made at the office of such Paying Agent or Paying Agents as the Company may designate from time to time, except that, at the option of the Company, payment of any interest may be made (i) by check mailed to the address of the person entitled thereto as such address shall appear in the applicable Note Register or (ii) by wire transfer to an account maintained by the person entitled thereto as specified in the applicable Note Register. Unless otherwise indicated in an applicable Prospectus Supplement, payment of any installment of interest on Registered Securities will be made to the person in whose name such Debt Security is registered at the close of business on the Regular Record Date for such payment.

Unless otherwise indicated in an applicable Prospectus Supplement, payment of principal of, premium, if any, and any interest on Bearer Securities will be payable, subject to any applicable laws and regulations, at the offices of such Paying Agents outside the United States as the Company may designate from time to time, at the option of the Holder, by check or by transfer to an account maintained by the payee with a bank located outside the United States. Unless otherwise indicated in an applicable Prospectus Supplement,

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payment of interest on Bearer Securities will be made only against surrender of the coupon relating to such Interest Payment Date. No payment with respect to any Bearer Security will be made at any office or agency of the Company in the United States or by check mailed to any address in the United States or by transfer to an account maintained with a bank located in the United States.

CONSOLIDATION, MERGER OR SALE OF ASSETS

Each Indenture provides that the Company may, without the consent of the holders of any of the Debt Securities outstanding under the applicable Indenture, consolidate with, merge into or transfer its assets substantially as an entirety to any person, provided that (i) any such successor assumes the Company's obligations on the applicable Debt Securities and under the applicable Indenture, (ii) after giving effect thereto, no Event of Default (as defined in the Senior Indenture) in the case of the Senior Securities, or Default (as defined in the Subordinated Indenture) in the case of the Subordinated Securities, shall have happened and be continuing and (iii) certain other conditions under the applicable Indenture are met. Accordingly, any such consolidation, merger or transfer of assets substantially as an entirety, which meets the conditions described above, would not create any Event of Default or Default which would entitle holders of the Debt Securities, or the Trustee on their behalf, to take any of the actions described below under "Senior Securities--Events of Default, Waivers, etc." or "Subordinated Securities--Events of Default, Waivers, etc."

LEVERAGED AND OTHER TRANSACTIONS

Each Indenture and the Debt Securities do not contain, among other things, provisions which would afford holders of the Debt Securities protection in the event of a highly leveraged or other transaction involving the Company which could adversely affect the holders of Debt Securities.

MODIFICATION OF THE INDENTURE; WAIVER OF COVENANTS

Each Indenture provides that, with the consent of the holders of not less than a majority in aggregate principal amount of the outstanding Debt Securities of each affected series, modifications and alterations of such Indenture may be made which affect the rights of the holders of such Debt Securities; provided, however, that no such modification or alteration may be made without the consent of the holder of each Debt Security so affected which would, among other things, (i) change the maturity of the principal of, or of any installment of interest (or premium, if any) on, any Debt Security issued pursuant to such Indenture, or reduce the principal amount thereof or any premium thereon, or change the method of calculation of interest or the currency of payment of principal or interest (or premium, if any) on, or reduce

the minimum rate of interest thereon, or impair the right to institute suit for the enforcement of any such payment on or with respect to any such Debt Security, or reduce the amount of principal of an Original Issue Discount Security that would be due and payable upon an acceleration of the maturity thereof; or (ii) reduce the above-stated percentage in principal amount of outstanding Debt Securities required to modify or alter such Indenture.

CONVERTIBLE DEBT SECURITIES

Certain Debt Securities (the "Convertible Debt Securities") may be convertible into other Securities of the Company. The holders of such Convertible Debt Securities of a specified series may be entitled or, if so provided in the applicable Prospectus Supplement, may be required at such time or times specified in the applicable Prospectus Supplement, subject to prior redemption, repayment or repurchase, to convert any Convertible Debt Securities of such series (in denominations set forth in the applicable Prospectus Supplement) into Common Stock, Preferred Stock, Common Stock Warrants, Preferred Stock Warrants, another series of Debt Securities, Debt Warrants or Depositary Shares, as the case may be, (collectively, the foregoing securities into which the Convertible Debt Securities may convert are referred to herein as "Conversion Securities") at the conversion price set forth in the applicable Prospectus Supplement, subject to adjustment as described below, and in the applicable Prospectus Supplement. The relevant provisions for each series of Convertible Debt Securities will be set forth in the applicable Prospectus Supplement. Except

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as described below or in the applicable Prospectus Supplement, no adjustment will be made upon conversion of any Convertible Debt Securities for interest accrued thereon or for dividends on any Conversion Securities issued. If any Convertible Debt Securities not called for redemption are converted between a Regular Record Date for the payment of interest and the next succeeding Interest Payment Date, such Convertible Debt Securities must be accompanied by funds equal to the interest payable on such succeeding Interest Payment Date on the principal amount so converted. The Company is not required to issue fractional shares of Common Stock or Preferred Stock upon conversion of Convertible Debt Securities that are convertible into Common Stock or Preferred Stock, respectively, and, in lieu thereof, will pay a cash adjustment, in the case of Convertible Debt Securities convertible into Common Stock, based upon the market value of the Common Stock, and in the case of Convertible Debt Securities convertible into Preferred Stock, based upon the liquidation preference of such series of Preferred Stock, unless otherwise specified in the Prospectus Supplement. In the case of Convertible Debt Securities convertible into securities other than Common Stock or Preferred Stock, such adjustment will be based on such method as is set forth in the Prospectus Supplement.

The conversion price for a series of Convertible Debt Securities that are convertible into Common Stock is subject to adjustment upon the occurrence of certain events under formulas that will be set forth in the applicable Prospectus Supplement.

In the event of a taxable distribution to holders of Common Stock or Preferred Stock (or other transaction) which results in any adjustment of the conversion price of Convertible Debt Securities that are convertible into Common Stock or Preferred Stock, the holders of such Convertible Debt Securities may, in certain circumstances, be deemed to have received a distribution subject to United States Federal income tax as a dividend; in certain other circumstances, the absence of such an adjustment may result in a taxable dividend to the holders of Common Stock or Preferred Stock acquired upon conversion of such Convertible Debt Securities.

SENIOR SECURITIES

The Senior Securities will be direct, unsecured obligations of the Company and will rank pari passu with all outstanding unsecured senior indebtedness of the Company.

EVENTS OF DEFAULT, WAIVERS, ETC.

An Event of Default with respect to Senior Securities of any series is defined in the Senior Indenture as (i) default in the payment of principal of or premium, if any, on any of the Senior Securities of that series outstanding under the Senior Indenture when due; (ii) default in the payment of interest on any of the Senior Securities of that series outstanding under the Senior Indenture when due and continuance of such default for 30 days; (iii) default in the performance of any other covenant of the Company in the Senior Indenture with respect to Senior Securities of such series and continuance of such default for 60 days after written notice; (iv) due acceleration of any indebtedness for borrowed money in principal amount in excess of \$1,000,000 of the Company under the terms of the instrument under which such indebtedness is issued or secured, if such acceleration is not rescinded or annulled or such indebtedness is not discharged within 30 days after written notice; (v) certain events of bankruptcy, insolvency or reorganization of the Company or FNBC; and (vi) any other event that may be specified in a Prospectus Supplement with respect to any series of Senior Securities. If an Event of Default with respect to any series of Senior Securities for which there are Senior Securities outstanding under the Senior Indenture occurs and is continuing, either the applicable Trustee or the holders of not less than 25% in aggregate principal amount of the Senior Securities of such series outstanding may declare the principal amount (or if such Senior Securities are Original Issue Discount Securities, such portion of the principal amount as may be specified in the terms of that series) of all Senior Securities of that series to be immediately due and payable. The holders of a majority in aggregate principal amount of the Senior Securities of any series outstanding under the Senior Indenture may waive an Event of Default resulting in acceleration of such Senior Securities, but only if all Events of Default with respect to Senior Securities of

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such series have been remedied and all payments due (other than those due as a result of acceleration) have been made. If an Event of Default occurs and is continuing, the applicable Trustee may, in its discretion, and at the written request of holders of not less than a majority in aggregate principal amount of the Senior Securities of any series outstanding under the Senior Indenture and upon reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request and subject to certain other conditions set forth in the Senior Indenture shall, proceed to protect the rights of the holders of all the Senior Securities of such series. Prior to acceleration of maturity of the Senior Securities of any series outstanding under the Senior Indenture, the holders of a majority in aggregate principal amount of such Senior Securities may waive any past default under the Senior Indenture except a default in the payment of principal of, premium, if any, or interest on the Senior Securities of such series.

The Senior Indenture provides that upon the occurrence of an Event of Default specified in clauses (i) or (ii) of the immediately preceding paragraph, the Company will, upon demand of the applicable Trustee, pay to it, for the benefit of the holder of any such Senior Security, the whole amount then due and payable on such Senior Securities for principal, premium, if any, and interest. The Senior Indenture further provides that if the Company fails to pay such amount forthwith upon such demand, such Trustee may, among other things, institute a judicial proceeding for the collection thereof.

A judgment for money damages by courts in the United States, including a money judgment based on an obligation expressed in a foreign currency, will ordinarily be rendered only in U.S. dollars. New York statutory law provides that a court shall render a judgment or decree in the foreign currency of the underlying obligation and that the judgment or decree shall be converted into U.S. dollars at the exchange rate prevailing on the date of entry of the judgment or decree.

The Senior Indenture also provides that notwithstanding any other provision of the Senior Indenture, the holder of any Senior Security of any series shall have the right to institute suit for the enforcement of any payment of principal of, premium, if any, and interest on such Senior Securities when due and that such right shall not be impaired without the consent of such holder.

The Company is required to file annually with the Trustees a written statement of officers as to the existence or non-existence of defaults under the Senior Indenture or the Senior Securities.

REGARDING CITIBANK

Citibank, a Trustee under one of the Senior Indentures, has its principal corporate trust office at 120 Wall Street, New York, New York 10043. With respect to payment or registration of transfer or exchange by Citibank under the Senior Indenture, Citibank's offices for such functions are located at 111 Wall Street, New York, New York 10043. The Company has normal banking relationships with Citibank.

REGARDING NORWEST

Norwest, a Trustee under one of the Senior Indentures, has its principal corporate trust office at Sixth Street and Marquette Avenue, Minneapolis, Minnesota 55479. The Company has normal banking relationships with Norwest.

SUBORDINATED SECURITIES

The Subordinated Securities will be direct, unsecured obligations of the Company and will be subject to the subordination provisions described below.

SECOND SUPPLEMENTAL INDENTURE

The Second Supplemental Indenture has been entered into to allow Subordinated Securities issued by the Company to be treated as capital for calculation of regulatory capital ratios. The Federal Reserve Board ~ has issued interpretations of its capital regulations indicating, among other things, that subordinated debt of

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bank holding companies issued on or after September 4, 1992 is includable in capital for calculation of regulatory capital ratios only if the subordination of the debt meets certain criteria and if the debt may be accelerated only for bankruptcy, insolvency and similar matters. Accordingly, the Second Supplemental Indenture contains subordination and acceleration provisions for the Subordinated Securities issued on and after January 1, 1993 (the "New Subordinated Securities") which are intended to be consistent with the interpretations of the Federal Reserve Board. Unless otherwise specified in the Prospectus Supplement relating to a particular series of Subordinated Securities offered thereby, Subordinated Securities offered pursuant to this Prospectus will constitute New Subordinated Securities for purposes of the Subordinated Indenture. See "Subordination" and "Events of Default, Defaults, Waivers, etc." below.

The Second Supplemental Indenture has been filed with the Commission and is available for inspection at the corporate trust office of Bank of America at 333 South Beaudry Avenue, 25th Floor, Los Angeles, California 90017.

SUBORDINATION

Upon any distribution of assets of the Company upon any dissolution, winding up, liquidation or reorganization, the payment of the principal of, premium, if any, and interest on the Subordinated Securities is to be subordinated in right of payment, to the extent provided in the Subordinated Indenture, to the prior payment in full of all Senior Indebtedness. In certain events of bankruptcy or insolvency, the payment of the principal of and interest on the New Subordinated Securities will, to the extent provided in the Subordinated Indenture, also be effectively subordinated in right of payment to the prior payment in full of all General Obligations.

Upon any distribution of assets of the Company upon any dissolution, winding up, liquidation or reorganization, the holders of Senior Indebtedness will first be entitled to receive payment in full of all amounts due or to become due before the holders of the Subordinated Securities will be entitled to receive any payment in respect of the principal of, premium, if any, or

interest on the Subordinated Securities. If upon any such payment or distribution of assets there remain, after giving effect to such subordination provisions in favor of the holders of Senior Indebtedness, any amounts of cash, property or securities available for payment or distribution in respect of the New Subordinated Securities ("Excess Proceeds") and if, at such time, any creditors in respect of General Obligations have not received payment in full of all amounts due or to become due on or in respect of such General Obligations, then such Excess Proceeds shall first be applied to pay or provide for the payment in full of such General Obligations before any payment or distribution may be made in respect of the New Subordinated Securities.

In addition, no payment may be made of the principal of, premium, if any, or interest on the Subordinated Securities, or in respect of any redemption, retirement, purchase or other acquisition of any of the Subordinated Securities, at any time when (i) there is a default in the payment of the principal of, premium, if any, interest on or otherwise in respect of any Senior Indebtedness or (ii) any event of default with respect to any Senior Indebtedness has occurred and is continuing, or would occur as a result of such payment on the Subordinated Securities or any redemption, retirement, purchase or other acquisition of any of the Subordinated Securities, permitting the holders of such Senior Indebtedness to accelerate the maturity thereof. Except as described above, the obligation of the Company to make payment of the principal of, premium, if any, or interest on the Subordinated Securities will not be affected.

By reason of such subordination in favor of the holders of Senior Indebtedness, in the event of a distribution of assets upon any dissolution, winding up, liquidation or reorganization, certain creditors of the Company who are not holders of Senior Indebtedness or of the Subordinated Securities may recover less, ratably, than holders of Senior Indebtedness and may recover more, ratably, than holders of the Subordinated Securities. By reason of the obligation of the holders of New Subordinated Securities to pay over any Excess Proceeds to creditors in respect of General Obligations, in the event of a distribution of assets upon any dissolution, winding up, liquidation or reorganization, holders of Existing Subordinated Indebtedness may recover less, ratably, than creditors in respect of General Obligations and may recover more, ratably, than the holders of New Subordinated Securities.

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Subject to payment in full of all Senior Indebtedness, the rights of the holders of Subordinated Securities will be subrogated to the rights of the holders of Senior Indebtedness to receive payments or distributions of cash, property or securities of the Company applicable to Senior Indebtedness. Subject to payment in full of all General Obligations, the rights of the holders of the New Subordinated Securities will be subrogated to the rights of the creditors in respect of General Obligations to receive payments or distributions of cash, property or securities of the Company applicable to such creditors in respect of General Obligations.

Senior Indebtedness is defined in the Subordinated Indenture as the principal of, premium, if any, and interest on (i) all of the Company's indebtedness for money borrowed, other than the subordinated securities issued under the Subordinated Indenture, the Company's Floating Rate Subordinated Capital Notes Due December 1996 (the "1996 Subordinated Capital Notes"), and the Company's 9 7/8% Subordinated Notes Due July 1999 (the "1999 Subordinated Notes"), whether outstanding on the date of execution of the Subordinated Indenture or thereafter created, assumed or incurred, except such indebtedness as is by its terms expressly stated to be not superior in right of payment to the subordinated securities issued under the Subordinated Indenture, the 1996 Subordinated Capital Notes or the 1999 Subordinated Notes or to rank pari passu with the subordinated securities issued under the Subordinated Indenture, the 1996 Subordinated Capital Notes or the 1999 Subordinated Notes and; (ii) any deferrals, renewals or extensions of any such Senior Indebtedness. The term "indebtedness for money borrowed" as used in the prior sentence includes, without limitation, any obligation of, or any obligation guaranteed by, the Company for the repayment of borrowed money, whether or not evidenced by bonds, debentures, notes or other written instruments, and any deferred obligation for the payment of the purchase price of property or assets. There is no limitation

on the issuance of additional Senior Indebtedness of the Company.

Since the original execution of the Subordinated Indenture, the Company has issued \$200 million in aggregate principal amount 9% Subordinated Notes Due June 15, 1999, \$100 million in aggregate principal amount 9 7/8% Subordinated Notes Due August 15, 2000, \$100 million in aggregate principal amount of 11 1/4% Subordinated Notes Due February 20, 2001, \$100 million in aggregate principal amount of 10 1/4% Subordinated Notes Due May 1, 2001, \$100 million in aggregate principal amount of 9 1/4% Subordinated Notes Due November 15, 2001, \$100 million in aggregate principal amount of 8 7/8% Subordinated Notes Due March 15, 2002, \$100 million in aggregate principal amount of 8 1/4% Subordinated Notes Due June 15, 2002 and \$5 million in aggregate principal amount of 9 1/5% Subordinated Notes Due December 17, 2001 (collectively, the "Additional Subordinated Indebtedness"). The Company has also issued \$200 million in aggregate principal amount of 7 5/8% Subordinated Notes due January 15, 2003 (the "January 2003 Subordinated Notes"), \$200 million in aggregate principal amount 6 7/8% Subordinated Notes Due June 15, 2003 (the "June 2003 Subordinated Notes") and \$150 million in aggregate principal amount Floating Rate Subordinated Notes Due July 28, 2003 (the "July 2003 Subordinated Notes") since the original execution of the Subordinated Indenture. The January 2003 Subordinated Notes, the June 2003 Subordinated Notes and the July 2003 Subordinated Notes constitute New Subordinated Securities.

Unless otherwise specified in the Prospectus Supplement relating to a particular series of Subordinated Securities offered thereby, Existing Subordinated Indebtedness means the 1996 Subordinated Capital Notes, the 1999 Subordinated Notes and the Additional Subordinated Indebtedness. The New Subordinated Securities rank and will rank pari passu with the Existing Subordinated Indebtedness, subject to the obligations of the holders of New Subordinated Securities to pay over any Excess Proceeds to creditors in respect of General Obligations. Thus, in the event of a distribution of assets of the Company upon any dissolution, winding up, liquidation or reorganization, the holders of the New Subordinated Securities may receive less, ratably, than holders of Existing Subordinated Indebtedness.

Unless otherwise specified in the Prospectus Supplement relating to a particular series of Subordinated Securities offered thereby, General Obligations means all obligations of the Company to make payment on account of claims in respect of derivative products such as interest and foreign exchange rate contracts,

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commodity contracts and similar arrangements, other than (i) obligations on account of Senior Indebtedness, (ii) obligations on account of indebtedness for money borrowed ranking pari passu with or subordinate to the Subordinated Securities and (iii) obligations which by their terms are expressly stated not to be superior in right of payment to the Subordinated Securities or to rank on parity with the Subordinated Securities; provided, however, that notwithstanding the foregoing, in the event that any rule, guideline or interpretation promulgated or issued by the Federal Reserve Board (or other competent regulatory agency or authority), as from time to time in effect, establishes or specifies criteria for the inclusion in regulatory capital of subordinated debt of a bank holding company requiring that such subordinated debt be subordinated to obligations to creditors in addition to those set forth above, then the term "General Obligations" shall also include such additional obligations to creditors, as from time to time in effect pursuant to such rules, guidelines or interpretations. For purposes of this definition, "claim" shall have the meaning assigned thereto in Section 101(4) of the Bankruptcy Code 1978, as amended to the date of the Second Supplemental Indenture.

As of June 30, 1993, the aggregate amount of Senior Indebtedness and General Obligations of the Company was approximately \$1.7 billion.

LIMITED RIGHTS OF ACCELERATION

Unless otherwise specified in the Prospectus Supplement relating to any series of Subordinated Securities, payment of principal of the New Subordinated Securities may be accelerated only in case of the bankruptcy or reorganization

of the Company. There is no right of acceleration in the case of a default in the payment of principal of, premium, if any, or interest on the New Subordinated Securities or the performance of any other covenant of the Company in the Subordinated Indenture. Payment of principal of the Existing Subordinated Indebtedness may be accelerated in the case of the bankruptcy, insolvency or reorganization of the Company. Such payment may also be accelerated in the case of certain events of insolvency or receivership of FNBC.

EVENTS OF DEFAULT, DEFAULTS, WAIVERS, ETC.

An Event of Default with respect to New Subordinated Securities of any series is defined in the Subordinated Indenture as certain events involving the bankruptcy or reorganization of the Company and any other Event of Default provided with respect to Subordinated Securities of that series. An Event of Default with respect to the Additional Subordinated Indebtedness of any series is defined in the Subordinated Indenture as certain events involving the bankruptcy, insolvency, receivership or reorganization of the Company or FNBC and any other Event of Default with respect to Additional Subordinated Securities of that series. A Default with respect to Subordinated Securities of any series is defined in the Subordinated Indenture as (i) an Event of Default with respect to such series, (ii) default in the payment of the principal of or premium, if any, on any Subordinated Security of such series when due, (iii) default in the payment of interest upon any Subordinated Security of such series when due and the continuance of such default for a period of 30 days, (iv) default in the performance of any other covenant or agreement of the Company in the Subordinated Indenture with respect to Subordinated Securities of such series and continuance of such default for 60 days after written notice, or (v) any other Default provided with respect to Subordinated Securities of any series. If an Event of Default with respect to any series of Subordinated Securities for which there are Subordinated Securities outstanding under the Subordinated Indenture occurs and is continuing, either Bank of America, as Trustee, or the holders of not less than 25% in aggregate principal amount of the Subordinated Securities of such series may declare the principal amount (or if such Subordinated Securities are Original Issue Discount Securities, such portion of the principal amount as may be specified in the terms of that series) of all Subordinated Securities of that series to be immediately due and payable. The holders of a majority in aggregate principal amount of the Subordinated Securities of any series outstanding under the Subordinated Indenture may waive an Event of Default resulting in acceleration of such Subordinated Securities, but only if all Defaults have been remedied and all payments due (other than those due as a result of acceleration) have been made. If a Default occurs and is continuing, Bank of America may in its discretion, and at the written request of holders of not less than a majority in aggregate principal amount of the Subordinated Securities of any series outstanding under the Subordinated Indenture and upon reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request and subject to certain other conditions set forth in the Subordinated Indenture shall, proceed to protect the rights of the holders of all the

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Subordinated Securities of such series. Prior to acceleration of maturity of the Subordinated Securities of any series outstanding under the Subordinated Indenture, the holders of a majority in aggregate principal amount of such Subordinated Securities may waive any past default under the Subordinated Indenture except a default in the payment of principal of, premium, if any, or interest on the Subordinated Securities of such series.

The Subordinated Indenture provides that in the event of a Default specified in clauses (ii) or (iii) of the immediately preceding paragraph in payment of principal of, premium, if any, or interest on any Subordinated Security of any series, the Company will, upon demand of Bank of America, pay to it, for the benefit of the holder of any such Subordinated Security, the whole amount then due and payable on such Subordinated Security for principal, premium, if any, and interest. The Subordinated Indenture further provides that if the Company fails to pay such amount forthwith upon such demand, Bank of America may, among other things, institute a judicial proceeding for the collection thereof.

The Subordinated Indenture also provides that notwithstanding any other provision of the Subordinated Indenture, the holder of any Subordinated Security of any series shall have the right to institute suit for the enforcement of any payment of principal of, premium, if any, and interest on such Subordinated Security on the respective Stated Maturities (as defined in the Subordinated Indenture) expressed in such Subordinated Security and that such right shall not be impaired without the consent of such holder.

The Company is required to file annually with Bank of America a written statement of officers as to the existence or non-existence of defaults under the Subordinated Indenture or the Subordinated Securities.

REGARDING BANK OF AMERICA

Bank of America, the successor Trustee to Security Pacific National Bank under the Subordinated Indenture, has a principal corporate trust office at 333 South Beaudry Avenue, 25th Floor, Los Angeles, California 90017. The Company has normal banking relationships with Bank of America.

DESCRIPTION OF DEBT WARRANTS

The Company may issue Debt Warrants for the purchase of Debt Securities. Debt Warrants may be issued independently or together with any Debt Securities offered by any Prospectus Supplement and may be attached to or separate from such Debt Securities. The Debt Warrants are to be issued under warrant agreements (each a "Debt Warrant Agreement") to be entered into between the Company and a warrant agent which will be designated in the applicable Prospectus Supplement (the "Debt Warrant Agent"), all as set forth in the Prospectus Supplement relating to the particular issue of Debt Warrants (the "Offered Debt Warrants"). The Debt Warrant Agent will act solely as an agent of the Company in connection with the Debt Warrants and will not assume any obligation or relationship of agency or trust for or with any holders or beneficial owners of Debt Warrants. The following summaries of certain provisions of the form of Debt Warrant Agreement and the warrant certificates representing the Debt Warrants (the "Debt Warrant Certificates"), if any, do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all the provisions of the Debt Warrant Agreement and the Debt Warrant Certificates, respectively, including the definitions therein of certain terms, which Agreement and Certificates will be filed as exhibits to or incorporated by reference in the Registration Statement of which this Prospectus forms a part.

If Debt Warrants are offered, the Prospectus Supplement will describe the terms of the Offered Debt Warrants, the Debt Warrant Agreement relating to the Offered Debt Warrants and the Debt Warrant Certificates representing the Offered Debt Warrants, if any, including the following: (1) the offering price; (2) the currency or currency unit in which the price for the Offered Debt Warrants may be payable; (3) the designation, aggregate principal amount and terms of the Debt Securities purchasable upon exercise of the

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Offered Debt Warrants; (4) if applicable, the designation and terms of the Debt Securities with which the Offered Debt Warrants are issued and the number of Offered Debt Warrants issued with each such Debt Security; (5) if the Debt Securities purchasable upon exercise of Offered Debt Warrants are denominated in a currency or currency unit other than U.S. dollars, the denomination of such Debt Securities and the currency or units based on or relating to currencies (including ECU) in which the principal of, premium, if any, and interest on such Debt Securities will be payable; (6) if applicable, the date on and after which the Offered Debt Warrants and the related Debt Securities will be separately transferable; (7) the principal amount of Debt Securities purchasable upon exercise of an Offered Debt Warrant and the price at which, and currency or currency units based on or relating to currencies (including ECU) in which, such principal amount of Debt Securities may be purchased upon such exercise; (8) the date on which the right to exercise the Offered Debt Warrants shall commence and the date on which such right shall expire; (9) if applicable, a discussion of certain Federal income tax, accounting and other

special considerations, procedures and limitations; (10) whether the Debt Warrants represented by the Debt Warrant Certificates will be issued as Registered Securities or Bearer Securities; and (11) any other terms of the Offered Debt Warrants, including terms, procedures and limitations relating to the exchange and exercise of the Offered Debt Warrants.

DESCRIPTION OF CURRENCY WARRANTS

The Company may issue Currency Warrants which, upon exercise at a permitted time or times in the future, entitle any holder thereof to receive the Cash Settlement Value (as defined below) of two designated currencies. Currency Warrants may be issued independently or together with any Debt Securities offered by any Prospectus Supplement and may be attached to or separate from such Debt Securities. The Currency Warrants are to be issued under warrant agreements (each a "Currency Warrant Agreement") to be entered into between the Company and a warrant agent which will be designated in the applicable Prospectus Supplement (the "Currency Warrant Agent"), all as set forth in the Prospectus Supplement relating to the particular issue of Currency Warrants (the "Offered Currency Warrants"). The Currency Warrant Agent will act solely as an agent of the Company in connection with the Currency Warrants and will not assume any obligation or relationship of agency or trust for or with any holder or beneficial owners of Currency Warrants. The following summaries of certain provisions of the form of Currency Warrant Agreement do not purport to be complete and are subject to and are qualified in their entirety by reference to all the provisions of the Currency Warrant Agreement and the form of certificate, if any, representing the Currency Warrants (the "Currency Warrant Certificates"), respectively, including the definitions therein of certain terms which Agreement and Certificate, if any, will be filed as an exhibit to or incorporated by reference in the Registration Statement of which this Prospectus forms a part.

The Currency Warrants will not require, or entitle, any holder thereof to sell any foreign currency to the Company. The Company will make only a U.S. dollar cash settlement upon exercise of a Currency Warrant and will not be obligated to purchase or take delivery of any foreign currency from any holder of a Currency Warrant.

The "Cash Settlement Value" of an exercised Currency Warrant will be an amount stated in U.S. dollars which is the greater of (i) zero and (ii) an amount equal to (a) the nominal amount of such Currency Warrant, minus (b) an amount equal to the nominal amount of such Currency Warrant times a fraction, the numerator of which is the Strike Price of such Currency Warrant and the denominator of which is the Spot Rate of such Currency Warrant on the Exercise Date. The "nominal amount" of a Currency Warrant refers to the principal amount, expressed in U.S. dollars, of a currency (the "Base Currency") which is to be compared to another currency (the "Second Currency") upon exercise of such Currency Warrant. Unless otherwise specified in the applicable Prospectus Supplement, the Base Currency shall be U.S. dollars. The "Strike Price" is the designated rate of exchange of the Base Currency for the Second Currency which the Company will specify in the Prospectus Supplement relating to the Offered Currency Warrants. The "Spot Rate" refers to the floating rate of exchange of the Base Currency for the Second Currency on any given date, as quoted by a

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reference bank or banks or other institution at a designated time of day, such source of quotations and time to be specified in the applicable Prospectus Supplement. The "Exercise Date" refers to the effective date on which the holder of a Currency Warrant exercises such Currency Warrant.

If Currency Warrants are offered, the Prospectus Supplement will describe the terms of the Offered Currency Warrants, the Currency Warrant Agreement relating to the Offered Currency Warrants and, if applicable, Currency Warrant Certificates, including the following: (1) the aggregate number of Offered Currency Warrants; (2) the Nominal Amount of each Offered Currency Warrant; (3) the price of the Offered Currency Warrants; (4) the Base Currency and the Second Currency; (5) the Strike Price for the Offered Currency Warrants; (6) the reference bank or banks or other institution and time of day to be used to determine the Spot Rate; (7) the date on which the right to exercise the

Offered Currency Warrants shall begin and the date on which such right shall terminate; (8) if applicable, the minimum or maximum amount of Offered Currency Warrants which may be exercised at any one time; (9) the place or places at which payment of the Cash Settlement Value is to be made by the Company; (10) whether the Offered Currency Warrants will be represented by certificates or issued in book-entry form; (11) the method by which the Offered Currency Warrants are to be exercised; (12) the Federal income tax consequences and other special considerations, procedures and limitations applicable to such Offered Currency Warrants; and (13) any other terms of the Offered Currency Warrants, including risk factors specifically relating to the Base Currency or Second Currency and Currency Warrants relating to such currencies.

DESCRIPTION OF STOCK-INDEX WARRANTS

The Company may issue Stock Index Warrants which, upon exercise at a permitted time or times in the future, entitle any holder thereof to receive an amount of cash determined by references to increases and/or decreases in the level of a specified stock index. Stock-Index Warrants may be issued independently or together with other Securities offered by any Prospectus Supplement and may be attached to or separate from such other Securities. The Stock-Index Warrants are to be issued under one or more warrant agreements (each a "Stock-Index Warrant Agreement") to be entered into between the Company and a bank or trust company, as stock-index warrant agent which will be designated in the applicable Prospectus Supplement (the "Stock-Index Warrant Agent"), all as set forth in the Prospectus Supplement relating to the particular issue of Stock-Index Warrants. The Stock-Index Warrant Agent will act solely as an agent of the Company in connection with the Stock-Index Warrants and will not assume any obligation or relationship of agency or trust for or with any holder or beneficial owners of Stock-Index Warrants. The following summaries of certain provisions of the form of Stock-Index Warrant Agreement and form of certificate, if any, representing the Stock-Index Warrants (the "Stock-Index Warrant Certificates") do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all the provisions of the Stock-Index Warrant Agreement and the Stock-Index Warrant Certificates, respectively, including the definitions therein of certain terms which Agreement and Certificate, if any, will be filed as an exhibit to or incorporated by reference in the Registration Statement of which this Prospectus forms a part.

The Company may issue Stock-Index Warrants either in the form of Stock-Index Put Warrants entitling the holders thereof to receive from the Company the Stock-Index Cash Settlement Value (as described in the applicable Prospectus Supplement) in U.S. dollars, which amount will be determined by reference to the amount, if any, by which the Stock-Index Exercise Price (as described in the applicable Prospectus Supplement) exceeds the closing value of the Index on the valuation date (the "Index Value") at the time of exercise, or in the form of Stock-Index Call Warrants entitling the holders thereof to receive from the Company the Stock-Index Cash Settlement Value in U.S. dollars, which amount will be determined by reference to the amount, if any, by which the Index Value at the time of exercise exceeds the Stock-Index Exercise Price.

The Prospectus Supplement for an issue of Stock-Index Warrants will set forth the formula pursuant to which the Stock-Index Cash Settlement Value will be determined. In addition, if so specified in the applicable

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Prospectus Supplement, following the occurrence of a Market Disruption Event (as defined therein), the Stock-Index Cash Settlement Value may be determined on a different basis than under normal exercise of a Stock-Index Warrant.

Unless otherwise indicated in the Prospectus Supplement, a Stock-Index Warrant will be settled only in cash and, accordingly, will not require or entitle a holder thereof to sell, deliver, purchase or take delivery of any shares of any underlying stock or any other securities. The holders will not be entitled to any of the rights of the holders of any underlying stock.

If Stock-Index Warrants are offered, the Prospectus Supplement will describe the terms of Stock-Index Warrants offered thereby, including the following: (1)

whether such Stock-Index Warrants are Stock-Index Put Warrants, Stock-Index Call Warrants or both; (2) the aggregate amount of such Stock-Index Warrants; (3) the offering price; (4) the stock index for such Stock-Index Warrants, which may be based on one or more U.S. or foreign stocks or a combination thereof and may be a preexisting U.S. or foreign stock index compiled and published by a third party or an index based on one or more underlying stock or stocks selected by the Company solely in connection with the issuance of such Stock-Index Warrants, and certain information regarding such stock index and the underlying stock or stocks; (5) the date on which the right to exercise such Stock-Index Warrants commences and the date on which such right expires (the "Stock-Index Warrant Expiration Date"); (6) the procedures and conditions relating to exercise; (7) the circumstances, if any, which will cause the Stock-Index Warrants to be deemed to be automatically exercised; (8) the minimum number, if any, of Stock-Index Warrants to be exercised at any one time other than upon automatic exercise and any other restrictions on exercise; (9) the maximum number, if any, of such Stock-Index Warrants that may, subject to the Company's election, be exercised by all owners (or by any person or entity) on any day; (10) the method of providing for a substitute index or otherwise determining the amount payable in connection with the exercise of such Stock-Index Warrants if the stock index changes or ceases to be made available by its publisher, which determination will be made by an independent expert; (11) the national securities exchange on which the Stock-Index Warrants will be listed, if any; (12) whether the Stock-Index Warrants will be issued in certificated or book-entry form; (13) the place or places at which payment of the Stock-Index Cash Settlement Value is to be made by the Company; (14) information with respect to book-entry procedures, if any; (15) the plan of distribution of such Stock-Index Warrants; (16) the identity of the Stock-Index Warrant Agent; (17) any provisions permitting a holder of a Stock-Index Warrant to condition a stock-index exercise notice on the absence of certain specified changes in the Index Value after the Stock-Index Warrant Exercise Date; and (18) any other terms of such Stock-Index Warrants, including risk factors specifically relating to fluctuations in the applicable stock index and possible illiquidity in the secondary market.

Prospective purchasers of Stock-Index Warrants should be aware that special U.S. Federal income tax, accounting and other considerations may be applicable to instruments such as Stock-Index Warrants. The Prospectus Supplement relating to any issue of Stock-Index Warrants will describe such considerations.

DESCRIPTION OF OTHER WARRANTS

The Company may issue Other Warrants, if permitted under applicable law, to buy or sell debt securities of or guaranteed by the United States, to buy or sell a commodity or a unit of a commodity index or to buy or sell some other item or unit of an index other than indices covered by Stock-Index Warrants (collectively, "Exercise Items"). Owners of Other Warrants will be entitled to receive from the Company the cash settlement value in U.S. dollars of the right to buy or sell the Exercise Items (the "Other Warrant Cash Settlement Value"). An Owner of Other Warrants will receive a cash payment upon exercise only if the Other Warrants have an Other Warrant Cash Settlement Value in excess of zero at that time.

Other Warrants may be issued independently or together with other Securities offered by any Prospectus Supplement and may be attached to or separate from such other Securities. The Other Warrants are to be issued under one or more other warrant agreements (the "Other Warrant Agreements") to be entered into

between the Company and a bank or trust company, as warrant agent which will be designated in the applicable Prospectus Supplement (the "Other Warrant Agent"), all as set forth in the Prospectus Supplement relating to the particular issue of Other Warrants. The Other Warrant Agent will act solely as an agent of the Company in connection with the Other Warrants and will not assume any obligation or relationship of agency or trust for or with any holder or beneficial owners of the Other Warrants. The following summaries of certain provisions of the form of Other Warrant Agreement and form of certificate, if any, representing the Other Warrants (the "Other Warrant Certificates") do not purport to be complete and are subject to, and are qualified in their entirety

by reference to, all the provisions of the Other Warrant Agreement and the Other Warrant Certificates, respectively, including the definitions therein of certain terms which Agreement and Certificate, if any, will be filed as an exhibit to or incorporated by reference in the Registration Statement of which this Prospectus forms a part.

Unless otherwise indicated in the Prospectus Supplement, an Other Warrant will be settled only in cash, in U.S. dollars, and accordingly, will not require or entitle an owner thereof to sell, deliver, purchase or take delivery of any Exercise Items.

If Other Warrants are offered, the applicable Prospectus Supplement will describe the terms of such Other Warrants, including, where applicable, the following: (1) the title and aggregate number of such Other Warrants; (2) the offering price; (3) the Exercise Items that such Other Warrants represent the right to buy or sell; (4) the procedures and conditions relating to exercise; (5) the date on which the right to exercise the Other Warrants shall commence and the date such right shall expire (the "Other Warrant Expiration Date"); (6) the method of determining the Other Warrant Cash Settlement Value; (7) whether such Other Warrants will be issued in certificated or book-entry form; (8) whether such Other Warrants will be listed on a national securities exchange; (9) information with respect to book-entry procedures, if any; (10) the identity of the Other Warrant Agent; and (11) any other terms of such Other Warrants, including risk factors relating to significant fluctuations in the market for the applicable Exercise Item, the potential illiquidity of the secondary market and the risk that the Other Warrants may expire worthless.

Prospective purchasers of Other Warrants should be aware that special U.S. Federal income tax, accounting and other considerations may be applicable to instruments such as Other Warrants. The Prospectus Supplement relating to any issue of Other Warrants will describe such considerations.

DESCRIPTION OF THE PREFERRED STOCK

The following description of the terms of the Preferred Stock sets forth certain general terms and provisions of the Preferred Stock to which any Prospectus Supplement may relate. Certain other terms of any series of Preferred Stock offered by any Prospectus Supplement will be specified in the applicable Prospectus Supplement. If so specified in the applicable Prospectus Supplement, the terms of any series of Preferred Stock may differ from the terms set forth below. The description of the terms of the Preferred Stock set forth below and in any Prospectus Supplement does not purport to be complete and is subject to and qualified in its entirety by reference to the Certificate of Designation relating to the applicable series of Preferred Stock, which Certificate will be filed as an exhibit to or incorporated by reference in the Registration Statement of which this Prospectus forms a part.

GENERAL

Pursuant to the Company's Restated Certificate of Incorporation, the Board of Directors of the Company has the authority, without further stockholder action, to issue from time to time a maximum of 15,000,000 shares of preferred stock, without par value, in one or more series and for such consideration, as may be fixed from time to time by the Board of Directors of the Company, and to fix before the issuance of any shares of preferred stock of a particular series, the designation of such series, the number of shares to comprise such series, the dividend rate or rates payable with respect to the shares of such series, the redemption price or prices, if any, and the terms and conditions of the redemption, the voting rights, any

sinking fund provisions for the redemption or purchase of the shares of such series, the terms and conditions upon which the shares are convertible, if they are convertible, and any other relative rights, preferences and limitations pertaining to such series. As of June 30, 1993, there were issued and outstanding 2,410,000 shares of the Company's Preferred Stock with Cumulative and Adjustable Dividends (\$50 stated value) (the "Series A Preferred Stock"), 1,191,000 shares of the Company's Preferred Stock with Cumulative and

Adjustable Dividends, Series B (\$100 stated value) (the "Series B Preferred Stock"), 713,800 shares of the Company's Preferred Stock with Cumulative and Adjustable Dividends, Series C (\$100 stated value) (the "Series C Preferred Stock"), 6,000,000 shares of the Company's 10% Cumulative Preferred Stock, Series D (stated value \$25 per share) (the "Series D Preferred Stock"), 160,000 shares of the Company's 8.45% Cumulative Preferred Stock, Series E (\$625 stated value) (the "Series E Preferred Stock"), 2,150,210 shares of the Company's \$3.75 Cumulative Convertible Preferred Stock, Series A (\$50 stated value) (the "Series A Convertible Preferred Stock") and 40,000 shares of the Company's 5 3/4% Cumulative Convertible Preferred Stock, Series B (\$5,000 stated value) (the "Series B Convertible Preferred Stock") (collectively, the "Existing Preferred Stock"). All shares of the Series A Convertible Preferred Stock were called for redemption on September 2, 1993, and consequently, as of the date hereof, no shares remain outstanding. See "Description of Existing Preferred Stock" herein.

As described under "Description of Depositary Shares" below, the Company may, at its option, elect to offer depositary shares ("Depositary Shares") evidenced by depositary receipts, each representing a fraction (to be specified in the Prospectus Supplement relating to the particular series of Preferred Stock) of a share of the particular series of the Preferred Stock issued and deposited with a depositary, in lieu of offering full shares of such series of the Preferred Stock.

Under interpretations adopted by the Federal Reserve Board, if the holders of Preferred Stock of any series become entitled to vote for the election of directors because dividends on such series are in arrears as described under "Voting Rights" below, such series may then be deemed a "class of voting securities" and a holder of 25% or more of such series (or a holder of 5% or more if it otherwise exercises a "controlling influence" over the Company) may then be subject to regulation as a bank holding company in accordance with the Bank Holding Company Act of 1956, as amended. In addition, at such time as such series is deemed a class of voting securities, any other bank holding company may be required to obtain the prior approval of the Federal Reserve Board to acquire 5% or more of such series, and any person other than a bank holding company may be required to obtain the prior approval of the Federal Reserve Board to acquire 10% or more of such series.

The Preferred Stock shall have the dividend, liquidation, redemption, voting and conversion rights set forth below unless otherwise specified in the applicable Prospectus Supplement. Reference is made to the Prospectus Supplement relating to the particular series of Preferred Stock offered thereby for specific terms, including: (1) the designation, stated value and liquidation preference of such Preferred Stock and the number of shares offered; (2) the initial public offering price at which such shares will be issued; (3) the dividend rate or rates (or method of calculation), the dividend periods, the date on which dividends shall be payable and whether such dividends shall be cumulative or noncumulative and, if cumulative, the dates from which dividends shall commence to cumulate; (4) any redemption or sinking fund provisions; (5) any conversion provisions; (6) whether the Company has elected to offer Depositary Shares as described below under "Description of Depositary Shares"; and (7) any additional dividend, liquidation, redemption, sinking fund and other rights, preferences, privileges, limitations and restrictions of such Preferred Stock.

The Preferred Stock will, when issued, be fully paid and nonassessable. Unless otherwise specified in the applicable Prospectus Supplement, the shares of each series of Preferred Stock will upon issuance rank on a parity in all respects with the Company's Existing Preferred Stock, described below, and each other then outstanding series of preferred stock of the Company. The Preferred Stock will have no preemptive rights to subscribe for any additional securities which may be issued by the Company. Unless otherwise specified in the applicable Prospectus Supplement, First Chicago Trust Company of New York will be the transfer agent and registrar for the Preferred Stock.

Because the Company is a holding company, its rights and the rights of holders of its securities, including the holders of Preferred Stock, to

participate in the assets of any Company subsidiary upon the latter's liquidation or recapitalization will be subject to the prior claims of such subsidiary's creditors and preferred shareholders, except to the extent the Company may itself be a creditor with recognized claims against such subsidiary or a holder of preferred shares of such subsidiary.

DIVIDENDS

The holders of the Preferred Stock will be entitled to receive, when, as and if declared by the Board of Directors of the Company, out of funds legally available therefor, dividends at such rates and on such dates as will be specified in the applicable Prospectus Supplement. Such rates may be fixed or variable or both. If variable, the formula used for determining the dividend rate for each dividend period will be specified in the applicable Prospectus Supplement. Dividends will be payable to the holders of record as they appear on the stock books of the Company (or, if applicable, the records of the Depositary referred to below under "Description of Depositary Shares") on such record dates as will be fixed by the Board of Directors of the Company. Dividends may be paid in the form of cash, Preferred Stock (of the same or a different series) or Common Stock of the Company, in each case as specified in the applicable Prospectus Supplement.

Dividends on any series of Preferred Stock may be cumulative or noncumulative, as specified in the applicable Prospectus Supplement. If the Board of Directors of the Company fails to declare a dividend payable on a dividend payment date on any Preferred Stock for which dividends are noncumulative ("Noncumulative Preferred Stock"), then the holders of such Preferred Stock will have no right to receive a dividend in respect of the dividend period relating to such dividend payment date, and the Company will have no obligation to pay the dividend accrued for such period, whether or not dividends on such Preferred Stock are declared or paid on any future dividend payment dates.

The Company shall not declare or pay or set apart for payment any dividends on any series of its preferred shares ranking, as to dividends, on a parity with or junior to the outstanding Preferred Stock of any series unless (i) if such Preferred Stock has a cumulative dividend ("Cumulative Preferred Stock"), full cumulative dividends have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for such payment on such Preferred Stock for all dividend periods terminating on or prior to the date of payment of any such dividends on such other series of preferred shares of the Company, or (ii) if such Preferred Stock is Noncumulative Preferred Stock, full dividends for the then-current dividend period on such Preferred Stock have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for such payment. When dividends are not paid in full upon Preferred Stock of any series and any other shares of preferred stock of the Company ranking on a parity as to dividends with such Preferred Stock, all dividends declared upon such Preferred Stock and any other preferred shares of the Company ranking on a parity as to dividends with such Preferred Stock shall be declared pro rata so that the amount of dividends declared per share on such Preferred Stock and such other shares shall in all cases bear to each other the same ratio that the accrued dividends per share on such Preferred Stock (which shall not, if such Preferred Stock is Noncumulative Preferred Stock, include any accumulation in respect of unpaid dividends for prior dividend periods) and such other preferred shares bear to each other. Except as set forth in the preceding sentence, unless full dividends on the outstanding Cumulative Preferred Stock of any series have been paid for all past dividend periods and full dividends for the then-current dividend period on the outstanding Noncumulative Preferred Stock of any series have been declared and paid or declared and a sum sufficient for the payment thereof set apart for such payment, no dividends (other than in Common Stock of the Company or other shares of the Company ranking junior to such Preferred Stock as to dividends and upon liquidation) shall be declared or paid or set aside for payment, nor shall any other distribution be made on the Common Stock of the Company or on any other shares of the Company ranking junior to or on a parity with such Preferred Stock as to dividends or upon liquidation. Unless full dividends on the Cumulative Preferred Stock of any series have been paid for all past dividend periods and full dividends for the then-current dividend period on the Noncumulative Preferred Stock of any series have been declared and paid or declared and a sum

payment, no Common Stock or any other shares of the Company ranking junior to or on a parity with such Preferred Stock as to dividends or upon liquidation shall be redeemed, purchased or otherwise acquired for any consideration (or any moneys be paid or made available for a sinking fund for the redemption of any such shares) by the Company or any subsidiary of the Company except by conversion into or exchange for shares of the Company ranking junior to such Preferred Stock as to dividends and upon liquidation.

REDEMPTION

A series of the Preferred Stock may be redeemable, in whole or in part, at the option of the Company, and may be subject to mandatory redemption pursuant to a sinking fund or otherwise, in each case upon terms, at the times and at the redemption prices specified in the applicable Prospectus Supplement and subject to the rights of holders of other securities of the Company. Preferred Stock redeemed by the Company will be restored to the status of authorized but unissued preferred shares.

The Prospectus Supplement relating to a series of Preferred Stock that is subject to mandatory redemption will specify the number of shares of such Preferred Stock that shall be redeemed by the Company in each year commencing after a date to be specified, at a redemption price per share to be specified, together with an amount equal to all accrued and unpaid dividends thereon (which shall not, if such Preferred Stock is Noncumulative Preferred Stock, include any accumulation in respect of unpaid dividends for prior dividend periods) to the date of redemption. The redemption price may be payable in cash or other property, as specified in the applicable Prospectus Supplement. If the redemption price for Preferred Stock of any series is payable only from the net proceeds of the issuance of capital stock of the Company, the terms of such Preferred Stock may provide that, if no such capital stock shall have been issued or to the extent the net proceeds from any issuance are insufficient to pay in full the aggregate redemption price then due, such Preferred Stock shall automatically and mandatorily be converted into shares of the applicable capital stock of the Company pursuant to conversion provisions specified in the applicable Prospectus Supplement.

If fewer than all the outstanding shares of Preferred Stock of any series are to be redeemed, the number of shares to be redeemed will be determined in a manner designated by the Board of Directors of the Company and such shares shall be redeemed pro rata from the holders of record of such shares in proportion to the number of such shares held by such holders (with adjustments to avoid redemption of fractional shares) or by lot or by any other method as may be determined by the Board of Directors of the Company.

Notwithstanding the foregoing, if any dividends, including any accumulation, on Cumulative Preferred Stock of any series are in arrears, no Preferred Stock of such series shall be redeemed unless all outstanding Preferred Stock of such series is simultaneously redeemed, and the Company shall not purchase or otherwise acquire any Preferred Stock of such series; provided, however, that the foregoing shall not prevent the purchase or acquisition of Preferred Stock of such series pursuant to a purchase or exchange offer provided such offer is made on the same terms to all holders of the Preferred Stock of such series.

Notice of redemption shall be given by mailing the same to each record holder of the Preferred Stock to be redeemed, not less than 30 nor more than 60 days prior to the date fixed for redemption thereof, to the respective addresses of such holders as the same shall appear on the stock books of the Company. Each notice shall state: (i) the redemption date; (ii) the number of shares and series of the Preferred Stock to be redeemed; (iii) the redemption price; (iv) the place or places where certificates for such Preferred Stock are to be surrendered for payment of the redemption price; (v) that dividends on the shares to be redeemed will cease to accrue on such redemption date; and (vi) the date upon which the holder's conversion rights, if any, as to such shares, shall terminate. If fewer than all the shares of Preferred Stock of any series held by any holder are to be redeemed, the notice mailed to such holder shall

also specify the number of shares of Preferred Stock to be redeemed from such holder.

If notice of redemption of any shares of Preferred Stock has been given, from and after the redemption date for such shares (unless default shall be made by the Company in providing money for the payment of

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the redemption price of such shares), dividends on such shares shall cease to accrue and such shares shall no longer be deemed to be outstanding, and all rights of the holders thereof as shareholders of the Company (except the right to receive the redemption price) shall cease. Upon surrender in accordance with such notice of the certificates representing any such shares (properly endorsed or assigned for transfer, if the Board of Directors of the Company shall so require and the notice shall so state), the redemption price set forth above shall be paid out of the funds provided by the Company. If fewer than all the shares represented by any such certificate are redeemed, a new certificate shall be issued representing the unredeemed shares without cost to the holder thereof.

CONVERSION RIGHTS

The Prospectus Supplement relating to a series of the Preferred Stock that is convertible will state the terms on which shares of such series are convertible into the Company's Common Stock, or another series of Preferred Stock.

RIGHTS UPON LIQUIDATION

In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company, the holders of Preferred Stock shall be entitled to receive out of the assets of the Company available for distribution to shareholders, before any distribution of assets is made to holders of Common Stock or any other class or series of shares ranking junior to such Preferred Stock upon liquidation, liquidating distributions in the amount of the liquidation preference of such Preferred Stock plus accrued and unpaid dividends (which shall not, if such Preferred Stock is Noncumulative Preferred Stock, include any accumulation in respect of unpaid dividends for prior dividend periods). If, upon any voluntary or involuntary liquidation, dissolution or winding up of the Company the amounts payable with respect to Preferred Stock of any series and any other shares of the Company ranking as to any such distribution on a parity with such Preferred Stock are not paid in full, the holders of such Preferred Stock and of such other shares will share ratably in any such distribution of assets of the Company in proportion to the full respective preferential amounts to which they are entitled. After payment of the full amount of the liquidating distribution to which they are entitled, the holders of Preferred Stock of any series will not be entitled to any further participation in any distribution of assets by the Company.

VOTING RIGHTS

Except as indicated below or in the applicable Prospectus Supplement, or except as expressly required by applicable law, the holders of the Preferred Stock will not be entitled to vote. In the event the Company issues full shares of any series of Preferred Stock, each such share will be entitled to one vote on matters on which holders of such series of the Preferred Stock are entitled to vote. However, as more fully described under "Description of Depositary Shares" below, if the Company elects to issue Depositary Shares representing a fraction of a share of a series of Preferred Stock, each such Depositary Share will, in effect, be entitled to such fraction of a vote, rather than a full vote, per Depositary Share. Since each full share of any series of Preferred Stock of the Company shall be entitled to one vote, the voting power of such series, on matters on which holders of such series and holders of other series of Preferred Stock are entitled to vote as a single class, shall depend on the number of shares in such series, not the aggregate stated value, liquidation preference or initial offering price of the shares of such series of Preferred Stock.

If the equivalent of six quarterly dividends payable on any series of

Preferred Stock are in default, the number of directors of the Company will be increased by two and the holders of all outstanding series of Preferred Stock, voting as a single class without regard to series, will be entitled to elect such additional two directors until all dividends in default have been paid or declared and set apart for payment.

The affirmative vote or consent of the holders of at least 66 2/3 percent of the outstanding shares of Preferred Stock of any series, voting as a class, will be required for any amendment to the Company's

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Certificate of Incorporation (or any certificate supplemental thereto) that will adversely affect the powers, preferences, privileges or rights of the Preferred Stock of such series. The affirmative vote or consent of the holders of at least 66 2/3 percent of the outstanding shares of Preferred Stock of any series and any other series of preferred shares of the Company ranking on a parity with the Preferred Stock of such series as to dividends or upon liquidation, voting as a single class without regard to series, will be required to authorize, effect or validate the creation, authorization or issue of any shares of any class of stock of the Company ranking prior to the Preferred Stock of such series as to dividends or upon liquidation, or the reclassification of any authorized stock of the Company into any such prior shares, or the creation, authorization or issue of any obligation or security convertible into or evidencing the right to purchase any such prior shares.

Subject to such affirmative vote or consent of the holders of the outstanding shares of Preferred Stock of any series, the Company may, by resolution of its Board of Directors or as otherwise permitted by law, from time to time alter or change the preferences, rights or powers of the Preferred Stock of such series. The holders of the Preferred Stock of such series shall not be entitled to participate in any such vote if, at or prior to the time when any such alteration or change is to take effect, provision is made for the redemption of all the Preferred Stock of such series at the time outstanding. Nothing in this section shall be taken to require a class vote or consent in connection with the authorization, designation, increase or issuance of any shares of any class or series (including additional Preferred Stock of any series) that rank junior to or on a parity with the Preferred Stock of such series as to dividends and liquidation rights or in connection with the authorization, designation, increase or issuance of any bonds, mortgages, debentures or other obligations of the Company.

DESCRIPTION OF DEPOSITARY SHARES

GENERAL

The Company may, at its option, elect to offer fractional shares of Preferred Stock, rather than full shares of Preferred Stock. In the event such option is exercised, the Company will issue to the public receipts for Depositary Shares, each of which will represent a fraction (to be set forth in the Prospectus Supplement relating to a particular series of Preferred Stock) of a share of a particular series of Preferred Stock as described below.

The shares of any series of Preferred Stock represented by Depositary Shares will be deposited under a Deposit Agreement (the "Deposit Agreement") between the Company and a bank or trust company selected by the Company having its principal office in the United States and having a combined capital and surplus of at least \$50,000,000 (the "Depositary"). Subject to the terms of the Deposit Agreement, each owner of a Depositary Share will be entitled, in proportion to the applicable fraction of a share of Preferred Stock represented by such Depositary Share, to all the rights and preferences of the Preferred Stock represented thereby (including dividend, voting, redemption, conversion and liquidation rights).

The Depositary Shares will be evidenced by depositary receipts issued pursuant to the Deposit Agreement ("Depositary Receipts"). Depositary Receipts will be distributed to those persons purchasing the fractional shares of Preferred Stock in accordance with the terms of the offering. Copies of the forms of Deposit Agreement and Depositary Receipt will be filed as exhibits to,

or incorporated by reference in, the Registration Statement of which this Prospectus is a part, and the following summary is qualified in its entirety by reference to such exhibits.

Pending the preparation of definitive engraved Depositary Receipts, the Depositary may, upon the written order of the Company, issue temporary Depositary Receipts substantially identical to (and entitling the holders thereof to all the rights pertaining to) the definitive Depositary Receipts but not in definitive form. Definitive Depositary Receipts will be prepared thereafter without unreasonable delay, and temporary Depositary Receipts will be exchangeable for definitive Depositary Receipts at the Company's expense.

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Upon surrender of Depositary Receipts at the principal office of the Depositary (unless the related Depositary Shares have previously been called for redemption), the owner of the Depositary Shares evidenced thereby is entitled to delivery at such office, to or upon his order, of the number of whole shares of Preferred Stock and any money or other property represented by such Depositary Shares. Partial shares of Preferred Stock will not be issued. If the Depositary Receipts delivered by the holder evidence a number of Depositary Shares in excess of the number of Depositary Shares representing a number of whole shares of Preferred Stock to be withdrawn, the Depositary will deliver to such holder at the same time a new Depositary Receipt evidencing such excess number of Depositary Shares. Holders of shares of Preferred Stock thus withdrawn will not thereafter be entitled to deposit such shares under the Deposit Agreement or to receive Depositary Shares therefor. The Company does not expect that there will be any public trading market for withdrawn shares of Preferred Stock.

DIVIDENDS AND OTHER DISTRIBUTIONS

The Depositary will distribute all cash dividends or other cash distributions received in respect of the Preferred Stock to the record holders of Depositary Shares relating to such Preferred Stock in proportion to the numbers of such Depositary Shares owned by such holders. The Depositary shall distribute only such amount, however, as can be distributed without attributing to any holder of Depositary Shares a fraction of one cent, and any balance not so distributed shall be added to and treated as part of the next sum received by the Depositary for distribution to record holders of Depositary Shares.

In the event of a distribution other than in cash, the Depositary will distribute property received by it to the record holders of Depositary Shares entitled thereto, unless the Depositary determines that it is not feasible to make such distribution, in which case the Depositary may, with the approval of the Company, sell such property and distribute the net proceeds from such sale to such holders.

REDEMPTION OF DEPOSITARY SHARES

If a series of Preferred Stock represented by Depositary Shares is subject to redemption, the Depositary Shares will be redeemed from the proceeds received by the Depositary resulting from the redemption, in whole or in part, of such series of Preferred Stock held by the Depositary. The Depositary shall mail notice of redemption not less than 30 nor more than 60 days prior to the date fixed for redemption to the record holders of the Depositary Shares to be so redeemed at their respective addresses appearing in the Depositary's books. The redemption price per Depositary Share will be equal to the applicable fraction of the redemption price per share payable with respect to such series of the Preferred Stock. Whenever the Company redeems shares of Preferred Stock held by the Depositary, the Depositary will redeem as of the same redemption date the number of Depositary Shares representing shares of Preferred Stock so redeemed. If less than all the Depositary Shares are to be redeemed, the Depositary Shares to be redeemed will be selected by lot or pro rata as may be determined by the Depositary.

After the date fixed for redemption, the Depositary Shares so called for redemption will no longer be deemed to be outstanding and all rights of the

holders of the Depositary Shares will cease, except the right to receive the moneys payable upon such redemption and any money or other property to which the holders of such Depositary Shares were entitled upon such redemption upon surrender to the Depositary of the Depositary Receipts evidencing such Depositary Shares.

VOTING THE PREFERRED STOCK

Upon receipt of notice of any meeting at which the holders of the Preferred Stock are entitled to vote, the Depositary will mail the information contained in such notice of meeting to the record holders of the Depositary Shares relating to such Preferred Stock. Each record holder of such Depositary Shares on the record date (which will be the same date as the record date for the Preferred Stock) will be entitled to instruct the Depositary as to the exercise of the voting rights pertaining to the amount of the Preferred Stock

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represented by such holder's Depositary Shares. The Depositary will endeavor, insofar as practicable, to vote the amount of the Preferred Stock represented by such Depositary Shares in accordance with such instructions, and the Company will agree to take all action which may be deemed necessary by the Depositary in order to enable the Depositary to do so. The Depositary will abstain from voting shares of the Preferred Stock to the extent it does not receive specific instructions from the holders of Depositary Shares representing such Preferred Stock.

TAXATION

Owners of the Depositary Shares will be treated for Federal income tax purposes as if they were owners of the series of Preferred Stock represented by such Depositary Shares and, accordingly, will be entitled to take into account for Federal income tax purposes income and deductions to which they would be entitled if they were holders of such series of Preferred Stock. In addition, (i) no gain or loss will be recognized for Federal income tax purposes upon the withdrawal of Preferred Stock in exchange for Depositary Shares as provided in the Deposit Agreement, (ii) the tax basis of each share of Preferred Stock to an exchanging owner of Depositary Shares will, upon such exchange, be the same as the aggregate tax basis of the Depositary Shares exchanged therefor and (iii) the holding period for shares of the Preferred Stock in the hands of an exchanging owner of Depositary Shares who held such Depositary Shares as a capital asset at the time of the exchange thereof for Preferred Stock will include the period during which such person owned such Depositary Shares.

AMENDMENT AND TERMINATION OF THE DEPOSITARY AGREEMENT

The form of Depositary Receipt evidencing the Depositary Shares and any provision of the Deposit Agreement may at any time be amended by agreement between the Company and the Depositary. However, any amendment which materially and adversely alters the rights of the holders of Depositary Shares will not be effective unless such amendment has been approved by the holders of at least a majority of the Depositary Shares then outstanding. The Deposit Agreement may be terminated by the Company or the Depositary only if (i) all outstanding Depositary Shares have been redeemed or (ii) there has been a final distribution in respect of the Preferred Stock in connection with any liquidation, dissolution or winding up of the Company and such distribution has been distributed to the holders of Depositary Receipts.

CHARGES OF DEPOSITARY

The Company will pay all transfer and other taxes and governmental charges arising solely from the existence of the depositary arrangements. The Company will pay charges of the Depositary in connection with the initial deposit of the Preferred Stock and any redemption of the Preferred Stock. Holders of Depositary Receipts will pay other transfer and other taxes and governmental charges and such other charges as are expressly provided in the Deposit Agreement to be for their accounts.

MISCELLANEOUS

The Depositary will forward to the holders of Depositary Shares all reports and communications from the Company which are delivered to the Depositary and which the Company is required to furnish to the holders of the Preferred Stock.

Neither the Depositary nor the Company will be liable if it is prevented or delayed by law or any circumstance beyond its control in performing its obligations under the Deposit Agreement. The obligations of the Company and the Depositary under the Deposit Agreement will be limited to performance in good faith of their duties thereunder and they will not be obligated to prosecute or defend any legal proceeding in respect of any Depositary Shares or Preferred Stock unless satisfactory indemnity is furnished. They may rely upon written advice of counsel or accountants, or information provided by persons presenting Preferred Stock for deposit, holders of Depositary Receipts or other persons believed to be competent and on documents believed to be genuine.

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RESIGNATION AND REMOVAL OF DEPOSITARY

The Depositary may resign at any time by delivering to the Company notice of its election to do so, and the Company may at any time remove the Depositary, any such resignation or removal to take effect upon the appointment of a successor Depositary and its acceptance of such appointment. Such successor Depositary must be appointed within 60 days after delivery of the notice of resignation or removal and must be a bank or trust company having its principal office in the United States and having a combined capital and surplus of at least \$50,000,000.

DESCRIPTION OF EXISTING PREFERRED STOCK

The outstanding Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock of the Company were issued in October 1982, February 1983, and February 1984, respectively. The dividend rate on each series is adjusted quarterly, based on a formula that considers the interest rates for selected short- and long-term U.S. Treasury securities prevailing at the time the rate is set. The Company's Series B Convertible Preferred Stock, Series D Preferred Stock and Series E Preferred Stock, which were issued in March 1993, May 1991 and November 1992, respectively, have fixed dividend rates. The Existing Preferred Stock ranks prior to the Company's Common Stock, both as to dividends and upon liquidation, but has no general voting rights (except as described under "Description of Preferred Stock--Voting Rights"). Each series of the Existing Preferred Stock ranks pari passu with each other series of the Existing Preferred Stock with respect to dividends and liquidation rights.

The Series A Preferred Stock is subject to a minimum and maximum dividend rate of 7.00 percent and 15.00 percent, respectively. The dividend rate for the quarterly dividend period ended September 30, 1993, is 7.00 percent. Shares of this series are redeemable, at the option of the Company, at their stated value of \$50 per share plus accrued and unpaid dividends. Shares of this series are not convertible into other securities of the Company.

The Series B Preferred Stock is subject to a minimum and maximum dividend rate of 6.00 percent and 12.00 percent, respectively. The dividend rate for the quarterly period ended November 30, 1993, is 6.00 percent. Shares of this series are redeemable, at the option of the Company, at their stated value of \$100 per share plus accrued and unpaid dividends. Shares of this series are not convertible into other securities of the Company.

The Series C Preferred Stock is subject to a minimum and maximum dividend rate of 6.50 percent and 12.50 percent, respectively. The dividend rate for the quarterly period ended November 30, 1993, is 6.50 percent. Shares of this series are redeemable, at the option of the Company, through February 28, 1994, at a redemption price equal to \$103.00 per share, and thereafter at their stated value of \$100 per share plus accrued and unpaid dividends. Shares of this series are not convertible into other securities of the Company.

The Series D Preferred Stock has an annual dividend rate equal to \$2.50, or 10 percent, which was fixed at the date of issue. Shares of this series are

redeemable, at the option of the Company, at any time on or after June 1, 1994, at a redemption price equal to \$25.75 per share during the twelve-month period ending May 31, 1995, at a redemption price equal to \$25.375 per share during the twelve-month period ending May 31, 1996, and thereafter at their stated value of \$25 per share plus, in each case, accrued and unpaid dividends. Shares of this series are not convertible into other securities of the Company.

The Series E Preferred Stock is represented by depositary shares with each depositary share representing a one-twenty-fifth interest in a share of Series E Preferred Stock. The Series E Preferred Stock has an annual dividend rate equal to \$52.8125 (\$2.1125 per depositary share), or 8.45 percent, which was fixed at the date of issue. Shares of this series are redeemable, at the option of the Company, at any time on or after November 16, 1997 at a redemption price of \$625 per share (\$25 per depositary share). Shares of this series are not convertible into other securities of the Company.

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The Series B Convertible Preferred Stock is represented by depositary shares with each depositary share representing a one-hundredth interest in a share of Series B Convertible Preferred Stock. The Series B Convertible Preferred Stock has an annual dividend rate equal to \$287.50 (\$2.875 per depositary share), or 5 3/4 percent, which was fixed at the date of issue. Shares of the Company's Series B Convertible Preferred Stock may be converted into shares of the Company's Common Stock at a conversion price of \$53 5/8 per share of Common Stock (equivalent to a conversion rate of .9324 share of Common Stock for each depositary share) at the option of the stockholder at any time. Resultant fractional interests are paid in cash. The conversion rate is subject to adjustment for certain stock dividends, subdivisions, splits and combinations, certain distributions of assets and debt to holders of Common Stock, certain reclassifications of Common Stock into other securities and certain distributions of rights or warrants to purchase Common Stock at a price per share less than the Common Stock's then market value. Shares of this series are redeemable, at the option of the Company, on or after April 1, 1997, through March 30, 2003, at an original redemption price of \$5,172.50 (\$51.7250 per depositary share), declining over such period to \$5,028.75 (\$50.2875 per depositary share), and thereafter at their stated value of \$5,000 per share (\$50.00 per depositary share) plus accrued and unpaid dividends.

All shares of the Series A Convertible Preferred Stock were called for redemption on September 2, 1993. Shares of the Series A Convertible Preferred Stock were convertible into 1.391 shares of the Company's Common Stock at the option of the stockholder through August 26, 1993, and 2,134,568 shares of the stock were so converted into 2,968,781 shares of the Company's Common Stock. Resultant fractional shares were paid in cash. On September 2, 1993, the Company redeemed the remaining 15,642 shares of the Series A Convertible Preferred at the redemption price of \$51.50 per share plus accrued and unpaid dividends through the redemption date.

The shares of the outstanding Existing Preferred Stock (or with respect to the Series E Preferred Stock and the Series B Convertible Preferred Stock, the outstanding depositary shares representing such stock), are listed on the New York Stock Exchange. First Chicago Trust Company of New York serves as transfer agent, registrar and dividend disbursing agent for shares of the Existing Preferred Stock and the depositary shares representing such stock. The First National Bank of Chicago also serves as depositary for the shares of Existing Preferred Stock represented by depositary shares.

DESCRIPTION OF PREFERRED STOCK WARRANTS

The Company may issue Preferred Stock Warrants for the purchase of Preferred Stock. Preferred Stock Warrants may be issued independently or together with other Securities offered by any Prospectus Supplement and may be attached to or separate from such other Securities. Each series of Preferred Stock Warrants will be issued under one or more warrant agreements (each a "Preferred Stock Warrant Agreement") to be entered into between the Company and a bank or trust company, as preferred stock warrant agent which will be designated in the applicable Prospectus Supplement (the "Preferred Stock Warrant Agent"), all as set forth in the Prospectus Supplement relating to the particular issue of

Preferred Stock Warrants. The Preferred Stock Warrant Agent will act solely as an agent of the Company in connection with the Preferred Stock Warrants and will not assume any obligation or relationship of agency or trust for or with any holders of Preferred Stock Warrant Certificates or beneficial owners of Preferred Stock Warrants. The following summaries of certain provisions of the form of Preferred Stock Warrant Agreement and form of certificate representing the Preferred Stock Warrants (the "Preferred Stock Warrant Certificates") do not purport to be complete and are subject to and are qualified in their entirety by reference to, all the provisions of the Preferred Stock Warrant Agreement and the Preferred Stock Warrant Certificates which Agreement and Certificate will be filed as an exhibit to or incorporated by reference in the Registration Statement of which this Prospectus forms a part.

GENERAL

If Preferred Stock Warrants are offered, the applicable Prospectus Supplement will describe the terms of such Preferred Stock Warrants, including the following, where applicable: (1) the offering price; (2) the designation, aggregate number and terms of the series of Preferred Stock purchasable upon exercise of such Preferred Stock Warrants and minimum number of Preferred Stock Warrants that are exercisable; (3) the designation and terms of the series of Preferred Stock with which such Preferred Stock Warrants are being offered and the number of such Preferred Stock Warrants being offered with each such Preferred Stock; (4) the date on and after which such Preferred Stock Warrants and the related series of Preferred Stock will be transferable separately; (5) the number and stated values of the series of Preferred Stock purchasable upon exercise of each such Preferred Stock Warrant and the price at which such number of shares of Preferred Stock of such series may be purchased upon such exercise; (6) the date on which the right to exercise such Preferred Stock Warrants shall commence and the date on which such right shall expire (the "Preferred Stock Warrant Expiration Date"); (7) whether the Preferred Stock Warrants represented by the Preferred Stock Warrant Certificates will be issued in registered or bearer form; (8) information with respect to book-entry procedures, if any; and (9) any other terms of such Preferred Stock Warrants for the purchase of shares of Preferred Stock.

Preferred Stock Warrant Certificates may be exchanged for new Preferred Stock Warrant Certificates of different denominations, may (if in registered form) be presented for registration of transfer, and may be exercised at the corporate trust office of the Preferred Stock Warrant Agent or any other office indicated in the applicable Prospectus Supplement. Prior to the exercise of any Preferred Stock Warrant, a holder thereof shall have no rights of a holder of shares of the Preferred Stock purchasable upon such exercise, including the right to receive payment of dividends, if any, on the underlying Preferred Stock or the right to vote such underlying Preferred Stock.

Prospective purchasers of Preferred Stock Warrants should be aware that special U.S. Federal income tax, accounting and other considerations may be applicable to instruments such as Preferred Stock Warrants. The Prospectus Supplement relating to any issue of Preferred Stock Warrants will describe such considerations.

EXERCISE OF PREFERRED STOCK WARRANTS

Each Preferred Stock Warrant will entitle the holder thereof to purchase such number of shares of Preferred Stock at such exercise price as shall be set forth in, or calculable from, the Prospectus Supplement relating to the offered Preferred Stock Warrants. After the close of business on the Preferred Stock Warrant Expiration Date (or such later date to which such Preferred Stock Warrant Expiration Date may be extended by the Company), unexercised Preferred Stock Warrants will become void.

Preferred Stock Warrants may be exercised by delivery to the Preferred Stock Warrant Agent of payment as provided in the applicable Prospectus Supplement of the amount required to purchase the shares of Preferred Stock purchasable upon such exercise together with certain information set forth on the reverse side of the Preferred Stock Warrant Certificate. Preferred Stock Warrants will be

deemed to have been exercised upon receipt of the exercise price, subject to the receipt, within five business days, of the Preferred Stock Warrant Certificate evidencing such Preferred Stock Warrants. Upon receipt of such payment and the Preferred Stock Warrant Certificate properly completed and duly executed at the corporate trust office of the Preferred Stock Warrant Agent or any other office indicated in the applicable Prospectus Supplement, the Company will, as soon as practicable, issue and deliver the shares of Preferred Stock purchasable upon such exercise. If fewer than all of the Preferred Stock Warrants represented by such Preferred Stock Warrant Certificate are exercised, a new Preferred Stock Warrant Certificate will be issued for the remaining number of Preferred Stock Warrants.

MODIFICATIONS

The Preferred Stock Warrant Agreement and the terms of the Preferred Stock Warrants may be amended by the Company and the Preferred Stock Warrant Agent, without the consent of the holders, for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provision contained therein, or in any other manner which the Company may deem necessary or desirable and which will not materially and adversely affect the interests of the owners.

The Company and the Preferred Stock Warrant Agent also may modify or amend the Preferred Stock Warrant Agreement and the terms of the Preferred Stock Warrants, with the consent of the holders of not less than a majority in number of the then outstanding unexercised Preferred Stock Warrants affected, provided that no such modification or amendment that shortens the period of time during which the Preferred Stock Warrants may be exercised, increases the exercise price of such Preferred Stock Warrants or otherwise materially and adversely affects the exercise rights of the holders of the Preferred Stock Warrants or reduces the number of outstanding Preferred Stock Warrants the consent of whose holders is required for modification or amendment of the Preferred Stock Warrant Agreement or the terms of the Preferred Stock Warrants may be made without the consent of the holders affected thereby.

MERGER, CONSOLIDATION, SALE OR OTHER DISPOSITIONS

If at any time there shall be a merger, consolidation, sale, transfer, conveyance or other disposition of substantially all of the assets of the Company, then the successor or assuming corporation shall succeed to and be substituted for the Company in, and the Company will be relieved of any further obligation under, the Preferred Stock Warrant Agreement or the Preferred Stock Warrants.

DESCRIPTION OF COMMON STOCK WARRANTS

The Company may issue Common Stock Warrants for the purchase of Common Stock. Common Stock Warrants may be issued independently or together with other Securities offered by any Prospectus Supplement and may be attached to or separate from such Securities. Each series of Common Stock Warrants will be issued under one or more warrant agreements (each a "Common Stock Warrant Agreement") to be entered into between the Company and a bank or trust company, as common stock warrant agent which will be designated in the applicable Prospectus Supplement (the "Common Stock Warrant Agent"), all as set forth in the Prospectus Supplement relating to the particular issue of Common Stock Warrants. The Common Stock Warrant Agent will act solely as an agent of the Company in connection with the Common Stock Warrants and will not assume any obligation or relationship of agency or trust for or with any holders or beneficial owners of Common Stock Warrants. The following summaries of certain provisions of the form of Common Stock Warrant Agreement and certificate representing Common Stock Warrants (the "Common Stock Warrant Certificates") do not purport to be complete and are subject to and are qualified in their entirety by reference to, all the provisions of the Common Stock Warrant Agreement and the Common Stock Warrant Certificate which Agreement and Certificate will be filed as an exhibit to or incorporated by reference in the Registration Statement which this Prospectus forms a part of.

If Common Stock Warrants are offered, the related Prospectus Supplement will describe the terms of such Common Stock Warrants, including the following, where applicable: (1) the offering price; (2) the aggregate number of shares of Common Stock purchasable upon exercise of such Common Stock Warrants and minimum number of Common Stock Warrants that are exercisable; (3) the number of shares of Common Stock with which such Common Stock Warrants are being offered and the number of such Common Stock Warrants being offered with each such share of Common Stock; (4) the date on and after which such Common Stock Warrants and the related shares of Common Stock will be transferable separately; (5) the number of

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shares of Common Stock purchasable upon exercise of each such Common Stock Warrant and the price at which such number of shares of Common Stock may be purchased upon such exercise; (6) the date on which the right to exercise such Common Stock Warrants shall commence and the date on which such right shall expire (the "Common Stock Warrant Expiration Date"); (7) whether the Common Stock Warrants represented by the Common Stock Warrant Certificates will be issued in registered or bearer form; (8) information with respect to book-entry procedures, if any; and (9) any other terms of such Common Stock Warrants for the purchase of shares of Common Stock which shall not be inconsistent with the provisions of the Common Stock Warrant Agreements.

Common Stock Warrant Certificates may be exchanged for new Common Stock Warrant Certificates of different denominations, may (if in registered form) be presented for registration of transfer, and may be exercised at the corporate trust office of the Common Stock Warrant Agent or any other office indicated in the applicable Prospectus Supplement. Prior to the exercise of any Common Stock Warrants to purchase Common Stock, holders of such Common Stock Warrants will not have any rights of holders of shares of the Common Stock purchasable upon such exercise, including the right to receive payments of dividends, if any, on the Common Stock purchasable upon such exercise or to exercise any applicable right to vote.

Prospective purchasers of Common Stock Warrants should be aware that special U.S. Federal income tax, accounting and other considerations may be applicable to instruments such as Common Stock Warrants. The Prospectus Supplement relating to any issue of Common Stock Warrants will describe such considerations.

EXERCISE OF COMMON STOCK WARRANTS

Each Common Stock Warrant will entitle the holder thereof to purchase such number of shares of Common Stock at such exercise price as shall be set forth in, or calculable from, the Prospectus Supplement relating to the Common Stock Warrants. After the close of business on the Common Stock Warrant Expiration Date (or such later date to which such Common Stock Warrant Expiration Date may be extended by the Company), unexercised Common Stock Warrants will become void.

Common Stock Warrants may be exercised by delivery to the Common Stock Warrant Agent of payment as provided in the applicable Prospectus Supplement of the amount required to purchase the shares of Common Stock purchasable upon such exercise together with certain information set forth on the reverse side of the Common Stock Warrant Certificate. Common Stock Warrants will be deemed to have been exercised upon receipt of the exercise price, subject to the receipt, within five business days, of the Common Stock Warrant Certificate evidencing such Common Stock Warrants. Upon receipt of such payment and the Common Stock Warrant Certificate properly completed and duly executed at the corporate trust office of the Common Stock Warrant Agent or any other office indicated in the applicable Prospectus Supplement, the Company will, as soon as practicable, issue and deliver the shares of Common Stock purchasable upon such exercise. If fewer than all of the Common Stock Warrants represented by such Common Stock Warrant Certificate are exercised, a new Common Stock Warrant Certificate will be issued for the remaining amount of Common Stock Warrants.

MODIFICATIONS

The Common Stock Warrant Agreement and the terms of the Common Stock Warrants may be amended by the Company and the Common Stock Warrant Agent, without the consent of the holders, for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective or inconsistent provision contained therein, or in any other manner which the Company may deem necessary or desirable and which will not materially and adversely affect the interests of the owners.

The Company and the Common Stock Warrant Agent also may modify or amend the Common Stock Warrant Agreement and the terms of the Common Stock Warrants, with the consent of the holders of not

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less than a majority in number of the then outstanding unexercised Common Stock Warrants affected, provided that no such modification or amendment that shortens the period of time during which the Common Stock Warrants may be exercised, increases the exercise price of such Common Stock Warrants or otherwise materially and adversely affects the exercise rights of the holders of the Common Stock Warrants or reduces the number of outstanding Common Stock Warrants the consent of whose holders is required for modification or amendment of the Common Stock Warrant Agreement or the terms of the Common Stock Warrants may be made without the consent of the holders affected thereby.

COMMON STOCK WARRANT ADJUSTMENTS

Unless otherwise indicated in the applicable Prospectus Supplement, the exercise price of, and the number of shares of Common Stock covered by a Common Stock Warrant, will be subject to adjustment in certain events, including: (i) dividends (and other distributions) payable in the Common Stock on any class of capital stock of the Company; (ii) subdivision, combinations and reclassifications of Common Stock; (iii) the issuance to all holders of Common Stock of certain rights or warrants entitling them to subscribe for or purchase Common Stock, at less than the current market price (as defined in the Common Stock Warrant Agreement for such series of Common Stock Warrants); and (iv) the distribution to all holders of Common Stock of evidences of indebtedness or assets of the Company (including securities, but excluding those dividends and distributions referred to above and dividends and distributions paid in cash out of surplus or retained earnings of the Company) or rights or warrants (excluding those referred to above) of the Company, subject to the limitation that all adjustments by reason of any of the foregoing need not be made until they result in a cumulative change in the exercise price of at least 1%.

In the event that the Company shall distribute or shall have distributed any rights or warrants to acquire capital stock pursuant to clause (iv) of the preceding paragraph ("Capital Stock Rights"), pursuant to which separate certificates representing such Capital Stock Rights are distributed subsequent to the initial distribution of such Capital Stock Rights (whether or not such distribution shall have occurred prior to the date of the issuance of a series of Common Stock Warrants), the subsequent distribution shall be deemed to be the distribution of such Capital Stock Rights; provided, however, that the Company may, in lieu of making any adjustment in the exercise price of, and the number of shares of Common Stock covered by, a Common Stock Warrant upon a distribution of separate certificates representing such Capital Stock Rights, make proper provision so that each holder of such a Common Stock Warrant who exercises such Common Stock Warrant (or any portion thereof) (a) on or before the record date for such distribution of separate certificates shall be entitled to receive upon such exercise shares of Common Stock issued with Capital Stock Rights and (b) after such record date and prior to the expiration, redemption or termination of such Capital Stock Rights shall be entitled to receive upon such exercise, in addition to the shares of Common Stock issuable upon such exercise, the same number of such Capital Stock Rights as would a holder of the number of shares of Common Stock that such Common Stock Warrant so exercised would have entitled the holder thereof to acquire in accordance with the terms and provisions applicable to the Capital Stock Rights if such Common Stock Warrant were exercised immediately prior to the record date for such distribution. Common Stock owned by or held for the account of

the Company or any majority owned subsidiary shall not be deemed outstanding for the purpose of any adjustment.

In the event the Company shall effect any capital reorganization or reclassification of its shares or shall consolidate, merge or engage in a statutory share exchange with or into any other corporation (other than a consolidation, merger or share exchange into which the Company is the surviving corporation) or shall sell or transfer substantially all its assets to any other corporation for a consideration consisting in whole or in part of equity securities of such other corporation, the holders of the Common Stock Warrants then outstanding will be entitled thereafter to exercise such Common Stock Warrants to acquire the kind and amount of stock and other securities, cash or property which they would have received in connection with such transaction had such Common Stock Warrants been exercised immediately prior to such transaction.

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MERGER, CONSOLIDATION, SALE OR OTHER DISPOSITIONS

If at any time there shall be a merger, consolidation, sale, transfer, conveyance or other disposition of substantially all of the assets of the Company, then the successor or assuming corporation shall succeed to and be substituted for the Company in, and the Company will be relieved of any further obligation under, the Common Stock Warrant Agreement or the Common Stock Warrants.

DESCRIPTION OF THE COMPANY'S COMMON STOCK

GENERAL

The Company is authorized to issue 150,000,000 shares of Common Stock. As of June 30, 1993, there were outstanding 83,217,811 shares of the Company's Common Stock.

Holders of the Company's Common Stock are entitled to receive dividends when, as and if declared by the Board of Directors out of any funds legally available therefor, and are entitled upon liquidation, after claims of creditors and preferences of the Company's preferred stock and any other series of preferred stock hereafter authorized, to receive pro rata the net assets of the Company.

The holders of the Common Stock are entitled to one vote for each share held and are vested with all of the voting power except as the Board of Directors of the Company has provided with respect to the outstanding shares of the Company's preferred stock or may provide, in the future, with respect to any other series of preferred stock which it may hereafter authorize. Directors of the Company are elected for a one-year term expiring upon the annual meeting of stockholders of the Company. The shares of the Company's Common Stock do not have cumulative voting rights.

The holders of the Company's Common Stock do not have any preemptive rights to subscribe for additional shares of capital stock of the Company. The holders of Common Stock have no conversion rights, the Common Stock is not subject to redemption by either the Company or a stockholder, and there is no restriction on the purchase by the Company of shares of Common Stock except for certain regulatory limits.

The Company's Common Stock is listed on the New York, Chicago, Pacific and London Stock Exchanges. First Chicago Trust Company of New York is the transfer agent, registrar and dividend disbursing agent for the Common Stock.

PREFERRED SHARE PURCHASE RIGHTS

On November 18, 1988, the Board of Directors declared a dividend to holders of Common Stock of record on December 2, 1988 (the "Record Date") of one preferred share purchase right (a "Right") for each outstanding share of Common Stock for, and to be attached to, each share of Common Stock outstanding on the Record Date. Each Right entitles the registered holder to purchase from the Company one one-hundredth of a share of Series A Junior Participating Voting

Preferred Stock, without par value (the "Junior Preferred Shares"), of the Company, at a price of \$130 per one one-hundredth of a Junior Preferred Share, subject to certain adjustments. As long as the Rights are attached to shares of Common Stock as provided in the Rights Agreement referred to below, one additional Right shall be issued with each share of Common Stock issued after December 2, 1988.

The Rights will expire on December 2, 1998, unless the expiration date is extended or the Rights are redeemed earlier and will not be exercisable or transferable separately from the shares of Common Stock until the "Distribution Date" which will occur on the earlier of (i) 10 days following a public announcement that a person or group of affiliated or associated persons (an "Acquiring Person") have acquired beneficial ownership of 20% or more of the outstanding Common Stock or (ii) 10 business days (or such later date as may be determined by action of the Board of Directors prior to such time as any person becomes an Acquiring Person) following the commencement of, or announcement of an intention to make, a tender offer or exchange offer the consummation of which would result in the beneficial ownership by a person or group of 20% or more of the outstanding Common Stock.

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In the event the Company is acquired in a merger or other business combination transaction or 50% or more of its consolidated assets are sold, each holder of a Right will have the right to receive, upon payment of the Right's then current exercise price, common stock of the acquiring company which has a market value of two times the exercise price of the Right. In the event that any person becomes an Acquiring Person, each holder of a Right, other than Rights beneficially owned by the Acquiring Person (which will thereafter be void), will thereafter have the right to receive upon exercise that number of shares of Common Stock (or under certain circumstances, Common Stock-equivalent Junior Preferred Shares) having a market value of two times the exercise price of the Rights.

At any time after the acquisition by a person or group of affiliated or associated persons of beneficial ownership of 20% or more of the outstanding Common Stock and prior to the acquisition by such person or group of 50% or more of the outstanding Common Stock, the Board of Directors may exchange the Rights (other than Rights owned by such person or group which have become void), in whole or in part, at an exchange ratio of one share of Common Stock per Right, appropriately adjusted to reflect any stock split, stock dividend or similar transaction (or under certain circumstances, Common Stock-equivalent Junior Preferred Shares).

At any time prior to the acquisition by a person or group of affiliated or associated persons of beneficial ownership of 20% or more of the outstanding Common Stock, the Board of Directors may redeem the Rights in whole, but not in part, at a price of \$.01 per Right, appropriately adjusted to reflect any stock split, stock dividend or similar transaction (the "Redemption Price"). The redemption of the Rights may be made effective at such time, on such basis and with such conditions as the Board of Directors in its sole discretion may establish.

The purchase price payable, and the number of Junior Preferred Shares or other securities or property issuable, upon exercise of the Rights are subject to adjustment from time to time to prevent dilution (i) in the event of a stock dividend on, or a subdivision, combination or reclassification of, the Junior Preferred Shares, (ii) upon the grant to holders of the Junior Preferred Shares of certain rights or warrants to subscribe for or purchase Junior Preferred Shares at a price, or securities convertible into Junior Preferred Shares with a conversion price, less than the current market price of the Junior Preferred Shares or (iii) upon the distribution to holders of the Junior Preferred Shares of evidences of indebtedness or assets (excluding regular periodic cash dividends paid out of earnings or retained earnings or dividends payable in Junior Preferred Shares) or of subscription rights or warrants (other than those referred to above).

The number of outstanding Rights and the number of one-hundredths of a Junior Preferred Share issuable upon exercise of each Right are also subject to

adjustment in the event of a stock split of the Common Stock or a stock dividend on the Common Stock payable in Common Stock or subdivisions, consolidations or combinations of the Common Stock occurring, in any such case, prior to the Distribution Date.

The terms of the Rights may be amended by the Board of Directors without the consent of the holders of the Rights, including an amendment to lower the threshold for exercisability of the Rights from 20% to not less than the greater of (i) any percentage greater than the largest percentage of the outstanding Common Stock then known to the Company to be beneficially owned by any person or group of affiliated or associated persons and (ii) 10%, except that from and after such time as any person becomes an Acquiring Person no such amendment may adversely affect the interests of the holders of the Rights.

The Rights have certain anti-takeover effects. The Rights will cause substantial dilution to a person or group that attempts to acquire the Company on terms not approved by the Board of Directors. The Rights should not interfere with any merger or other business combination approved by the Board of Directors since the Rights may be redeemed by the Company at the Redemption Price prior to the time that a person or group has acquired beneficial ownership of 20% or more of the Common Stock.

The foregoing description of the Rights and the Junior Preferred Shares does not purport to be complete and is qualified in its entirety by reference to the Rights Agreement, as amended, which is an exhibit to the Registration Statement of which this Prospectus forms a part, and the Certificate of Designation, Preferences and Rights for the Junior Preferred Shares.

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PLAN OF DISTRIBUTION

The distribution of the Securities may be effected from time to time in one or more transactions at a fixed price or prices (which may be changed from time to time), at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices. Each Prospectus Supplement will describe the method of distribution of the Securities offered therein.

The Company may sell Securities directly, through agents designated from time to time, through underwriting syndicates led by one or more managing underwriters or through one or more underwriters acting alone. Each Prospectus Supplement will set forth the terms of the Securities to which such Prospectus Supplement relates, including the name or names of any underwriters or agents with whom the Company has entered into arrangements with respect to the sale of such Securities, the public offering or purchase price of such Securities and the net proceeds to the Company from such sale, any underwriting discounts and other items constituting underwriters' compensation, any discounts and commissions allowed or paid to dealers, if any, any commissions allowed or paid to agents, and the securities exchange or exchanges, if any, on which such Securities will be listed. Dealer trading may take place in certain of the Securities, including Securities not listed on any securities exchange.

Securities may be purchased to be reoffered to the public through underwriting syndicates led by one or more managing underwriters, or through one or more underwriters acting alone. The underwriter or underwriters with respect to each underwritten offering of Securities will be named in the Prospectus Supplement relating to such offering and, if an underwriting syndicate is used, the managing underwriter or underwriters will be set forth on the cover page of such Prospectus Supplement. Unless otherwise set forth in the applicable Prospectus Supplement, the obligations of the underwriters to purchase the Securities will be subject to certain conditions precedent and each of the underwriters with respect to a sale of Securities will be obligated to purchase all of its Securities if any are purchased. Any initial public offering price and any discounts or concession allowed or reallocated or paid to dealers may be changed from time to time.

Securities may be offered and sold by the Company through agents designated by the Company from time to time. Any agent involved in the offer and sale of

any Securities will be named, and any commissions payable by the Company to such agent will be set forth, in the Prospectus Supplement relating to such offering. Unless otherwise indicated in such Prospectus Supplement, any such agent will be acting on a best efforts basis for the period of its appointment.

Offers to purchase Securities may be solicited directly by the Company and sales thereof may be made by the Company directly to institutional investors or others who may be deemed to be underwriters within the meaning of the Securities Act with respect to any resale thereof. The terms of any such sales will be described in the Prospectus Supplement relating thereto.

The Company may also issue contracts under which the counterparty may be required to purchase Debt Securities, Preferred Stock, Depositary Shares or Common Stock. Such contracts would be issued with Debt Securities, Preferred Stock or Depositary Shares and/or Warrants in amounts, at prices and on terms to be set in a Prospectus Supplement.

The anticipated place and time of delivery of Securities will be set forth in the applicable Prospectus Supplement.

If so indicated in the applicable Prospectus Supplement, the Company will authorize underwriters or agents to solicit offers by certain institutions to purchase Securities from the Company pursuant to delayed delivery contracts providing for payment and delivery at a future date. Institutions with which such contracts may be made include commercial and savings banks, insurance companies, pension funds, investment companies, educational and charitable institutions and others, but in all cases such institutions must be approved by the Company. Unless otherwise set forth in the applicable Prospectus Supplement, the obligations of any purchaser under any such contract will not be subject to any conditions except that (i) the

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purchase of the Securities shall not at the time of delivery be prohibited under the laws of the jurisdiction to which such purchaser is subject, and (ii) if the Securities are also being sold to underwriters acting as principals for their own account, the underwriters shall have purchased such Securities not sold for delayed delivery. The underwriters and such other persons will not have any responsibility in respect of the validity or performance of such contracts.

Any underwriter or agent participating in the distribution of the Securities may be deemed to be an underwriter, as that term is defined in the Securities Act, of the Securities so offered and sold and any discounts or commissions received by them from the Company and any profit realized by them on the sale or resale of the Securities may be deemed to be underwriting discounts and commissions under the Securities Act.

Underwriters and agents may be entitled, under agreements entered into with the Company, to indemnification by the Company against certain civil liabilities, including liabilities under the Securities Act, or to contribution with respect to payments which such underwriters or agents may be required to make in respect thereof. Certain of any such underwriters and agents, including their associates, may be customers of, engage in transactions with and perform services for, the Company and its subsidiaries in the ordinary course of business.

LEGAL OPINIONS

Certain legal matters relating to the Securities offered hereby will be passed upon for the Company by its General Counsel and for any underwriters, selling agents and certain other purchasers by Cravath, Swaine & Moore, Worldwide Plaza, 825 Eighth Avenue, New York, New York 10019. Cravath, Swaine & Moore has represented and continues to represent the Company from time to time in other matters.

EXPERTS

The financial statements incorporated by reference in the Annual Report on

Form 10-K of the Company for the year ended December 31, 1992, as amended by the Company's Form 8 dated March 12, 1993, have been audited by Arthur Andersen & Co., independent public accountants, as indicated in their report with respect thereto, and are incorporated herein by reference in reliance upon the authority of said firm as experts in accounting and auditing in giving said report.

 NO DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED OR INCORPORATED BY REFERENCE IN THIS PROSPECTUS SUPPLEMENT OR THE PROSPECTUS IN CONNECTION WITH THE OFFER MADE BY THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY OR BY THE UNDERWRITER. NEITHER THE DELIVERY OF THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS NOR ANY SALE MADE HEREUNDER AND THEREUNDER SHALL UNDER ANY CIRCUMSTANCES CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE THE DATE HEREOF. THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS DO NOT CONSTITUTE AN OFFER OR SOLICITATION BY ANYONE IN ANY STATE IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR IN WHICH THE PERSON MAKING SUCH OFFER IS NOT QUALIFIED TO DO SO OR TO ANYONE TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.

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First Chicago Corporation

\$200,000,000

6 3/8% Subordinated Notes
Due January 30, 2009

PROSPECTUS SUPPLEMENT

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