

SECURITIES AND EXCHANGE COMMISSION

FORM 424B3

Prospectus filed pursuant to Rule 424(b)(3)

Filing Date: **1994-01-05**
SEC Accession No. **0000711513-94-000001**

([HTML Version](#) on secdatabase.com)

FILER

MCDONNELL DOUGLAS FINANCE CORP /DE

CIK: **711513** | IRS No.: **952564584** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **424B3** | Act: **33** | File No.: **033-31419** | Film No.: **94500338**
SIC: **6172** Finance lessors

Business Address
340 GOLDEN SHORE
LONG BEACH CA 90802-4296
3104913225

PRICING SUPPLEMENT DATED
January 4, 1994 TO PROSPECTUS
DATED November 18, 1993

McDONNELL DOUGLAS FINANCE CORPORATION

Series IX Medium-Term Notes
Interest payable Semi-annually on March 15th and September 15th
and at maturity

Except as set forth herein, the Series IX Medium-Term Notes offered hereby (the "Notes") have such terms as are described in the accompanying Prospectus dated November 18, 1993.

Aggregate Principal Amount: \$ 15,000,000

Original Issue Date
(Settlement Date): January 5, 1994

Stated Maturity Date: December 28, 1998

Issue Price: 100.00% of Principal Amount

Interest Rate: 6.35% Per Annum

Interest Payment Dates: March 15 and September 15 commencing
March 15, 1994

Type of Notes Issued: [X] Senior Notes
[] Subordinated Notes

Optional Redemption: [] Yes
[X] No

Form of Notes Issued: [X] Book-Entry Notes
[] Certificated Notes

CUSIP Number: 58017DCM0

AGENT

The Notes being offered hereby are being offered through Merrill Lynch, Pierce, Fenner & Smith Incorporated (doing business as Merrill Lynch & Co.) ("Merrill"), as Agent. Net proceeds payable to McDonnell Douglas Finance Corporation (the "Company") will be 99.936% of the aggregate principal amount of the Notes, or \$14,990,400, before deduction of expenses payable by the Company. In connection with the sale of the Notes, Merrill will receive a commission from the Company in the amount of .064% or \$9,600.

OTHER INFORMATION

The information in the Prospectus set forth under the caption "RISK FACTORS-Relationship with MDC" is supplemented by the following:

MDC has accepted, with clarifications, a proposal from the Department of Defense on an overall business settlement of a variety of issues concerning the C-17 program. In connection with the settlement, MDC expects to record a charge to pre-tax earnings of approximately \$450 million in the fourth quarter of 1993. The settlement is not expected to result in a significant adverse cash impact to MDC. MDC and the U.S. Air Force will be developing plans, contractual modifications and agreements to implement the business arrangement, which is subject to congressional authorization and appropriations.

The U.S. Navy has advised MDC and General Dynamics Corporation ("GD") that the 1993 review of the deferment agreement between MDC, GD and the Navy with respect to the A-12 aircraft is continuing, in particular with respect to the impact of the C-17 settlement between the Government and MDC described in the preceding paragraph. The Navy has stated that MDC and GD will be advised of the results of the review and any action that may be taken by the Government on or about February 4, 1994. MDC and GD also were advised that this timing does not suggest any adverse implication for the outcome of the review. MDC firmly believes it is entitled to have the deferment agreement continued and did not agree to the Navy's unilateral continuation of the review.