

SECURITIES AND EXCHANGE COMMISSION

FORM 424B5

Prospectus filed pursuant to Rule 424(b)(5)

Filing Date: **1994-01-13**
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FILER

INDIANA MICHIGAN POWER CO

CIK: **50172** | IRS No.: **350410455** | State of Incorporation: **IN** | Fiscal Year End: **1231**
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SIC: **4911** Electric services

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614-223-1649

January 13, 1994

Securities and Exchange Commission
Division of Corporation Finance
450 Fifth Street, N.W.
Washington, D.C. 20549

RE: Indiana Michigan Power Company
Registration Statement on Form S-3
File No. 33-50361

Gentlemen:

Pursuant to Rule 424(b)(5), transmitted herewith is the Prospectus Supplement to be used in connection with the anticipated public offering by Indiana Michigan Power Company of 350,000 shares of its Cumulative Preferred Stock, 6.30% Series, with a par value of \$100 per share.

Very truly yours,

INDIANA MICHIGAN POWER COMPANY

BY: /s/ Ann B. Graf
Ann B. Graf
ABG/brh

PROSPECTUS SUPPLEMENT
(To Prospectus dated September 29, 1993)

350,000 Shares

Indiana Michigan Power Company

6.30% Cumulative Preferred Stock
(\$100 par value)

The 6.30% Cumulative Preferred Stock, \$100 par value (the "new Preferred Stock"), will be redeemable at a redemption price of \$100 per share plus accrued and unpaid dividends to the date of redemption at the option of the Company in whole or in part at any time on or after March 1, 2004 upon not less than 30 days' notice. The new Preferred Stock is also subject to a mandatory cumulative sinking fund requiring the Company to redeem 17,500 shares on each July 1 from 2004 through the year 2008 and to redeem the remaining shares outstanding on July 1, 2009, in each case at \$100 per share plus accrued and unpaid dividends to the date of redemption. See "Supplemental Description of the New Preferred Stock -- Redemption of the New Preferred Stock" and "Supplemental Description of the New Preferred Stock -- Sinking Fund" herein.

The annual dividend rate for the new Preferred Stock shall be 6.30% per share, per annum, which dividend shall be calculated, per share, at such percentage multiplied by \$100, payable quarterly on the first days of January, April, July and October in each year with respect to the quarterly period ending on the day preceding each such respective payment date, and the date from which dividends shall be cumulative on all new Preferred Stock shall be the date of original issuance of the new Preferred Stock. The initial quarterly dividend on the new Preferred Stock (covering the period from the date of original issuance to and including March 31, 1994) will be paid on April 1, 1994 to the persons in whose names the new Preferred Stock is registered on such day as is fixed by the Board of Directors.

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 TO WHICH IT RELATES. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

<TABLE>
<CAPTION>

	Price to Public(1)	Underwriting Commission(2)	Proceeds to Company(3)
	-----	-----	-----
<S>	<C>	<C>	<C>

Per Share.....	\$100.00	\$.875	\$99.125
Total.....	\$35,000,000	\$306,250	\$34,693,750

</TABLE>

(1) Plus accrued dividends, if any, from the date of original issue.

(2) The Company has agreed to indemnify the Underwriters against certain liabilities, including certain liabilities under the Securities Act of 1933, as amended.

(3) Before deduction of expenses payable by the Company estimated at \$76,000.

The new Preferred Stock is offered severally by the Underwriters, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of certain legal matters by counsel for the Underwriters and certain other conditions. The Underwriters reserve the right to withdraw, cancel or modify such offer and to reject orders in whole or in part. It is expected that delivery of the shares of new Preferred Stock will be made in New York, New York, on or about February 8, 1994.

Merrill Lynch & Co.

Goldman, Sachs & Co.

The date of this Prospectus Supplement is January 13, 1994.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SECURITIES OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

RATIO OF EARNINGS TO FIXED CHARGES AND
PREFERRED STOCK DIVIDEND REQUIREMENTS COMBINED

Below is set forth the ratio of earnings to fixed charges and preferred stock dividend requirements combined for each of the years in the period 1988 through 1992 and for the twelve

months ended September 30, 1993. Ratios for the periods through December 31, 1991 have been restated to reflect the merger of Michigan Power Company into the Company on February 29, 1992, which was accounted for as a pooling of interests.

Period Ended	Ratio
December 31, 1988.....	1.99
December 31, 1989.....	1.90
December 31, 1990.....	1.75
December 31, 1991.....	1.86
December 31, 1992.....	1.71
September 30, 1993.....	1.76

SUPPLEMENTAL DESCRIPTION OF THE NEW PREFERRED STOCK

The following description of the specific terms of the new Preferred Stock supplements the description of the general terms and provisions of the new Preferred Stock set forth in the accompanying Prospectus under the caption "Description of the New Preferred Stock." The following description does not purport to be complete and is qualified in its entirety by reference to the description in the accompanying Prospectus and to the instruments referred to therein.

Redemption of the New Preferred Stock

The shares of the new Preferred Stock offered hereby are not redeemable prior to March 1, 2004. On or after March 1, 2004, the shares of the new Preferred Stock are redeemable upon not less than 30 days' notice at a redemption price of \$100 per share plus accrued and unpaid dividends to the redemption date. (See "Sinking Fund" herein.)

Sinking Fund

The new Preferred Stock is entitled to a cumulative sinking fund requiring the Company, to the extent not prohibited by law, to redeem, out of funds legally available therefor, 17,500 shares of the new Preferred Stock on July 1, 2004 and on each July 1 thereafter to and including July 1, 2008 and to redeem, out of funds legally available therefor, the remaining shares of the new Preferred Stock on July 1, 2009, in each case at \$100 per share plus accrued and unpaid dividends to the date of such redemption.

The Company is entitled, at its election, to credit against any sinking fund requirement due on any sinking fund date, shares of the new Preferred Stock theretofore purchased or otherwise acquired by the Company and not previously credited against any sinking fund requirement.

There is no restriction on the repurchase or redemption of shares of Cumulative Preferred Stock of any series, including the new Preferred Stock, by the Company while there is any arrearage in sinking fund installments with respect to the new Preferred Stock.

Liquidation Rights

The preferential amounts to which the holders of shares of new Preferred Stock shall be entitled upon any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company shall be \$100 per share, in each case plus an amount equal to accrued and unpaid dividends.

The Transfer Agent and Registrar for the new Preferred Stock will be First Chicago Trust Company of New York, 14 Wall Street, New York, New York 10005.

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UNDERWRITING

Subject to the terms and conditions set forth in the Underwriting Agreement, the Company has agreed to sell to each of the Underwriters named below (the "Underwriters"), and each of the Underwriters has severally agreed to purchase the number of shares of the new Preferred Stock set forth opposite its name below:

<TABLE>

<CAPTION>

Underwriters	Number of Shares of the New Preferred Stock
-----	-----
<S>	<C>
Merrill Lynch, Pierce, Fenner & Smith Incorporated	175,000
Goldman, Sachs & Co.	175,000
Total.....	350,000

</TABLE>

Under the terms and conditions of the Underwriting Agreement, the Underwriters are committed to take and pay for all

of the shares of the new Preferred Stock, if any are taken.

The Company has been advised by the Underwriters that the Underwriters propose initially to offer the shares to the public at the price to public set forth on the cover page of this Prospectus Supplement, and to certain dealers at such price less a concession not in excess of \$.50 per share. The Underwriters may allow, and such dealers may reallow, a discount not in excess of \$.35 per share to certain other dealers. After the initial public offering, the price to public, concession and discount may be changed.

The new Preferred Stock will not have an established trading market when issued. The new Preferred Stock will not be listed on any securities exchange.

The Underwriters may make a market in the new Preferred Stock, but the Underwriters are not obligated to do so and may discontinue any market-making at any time without notice. There can be no assurance of a secondary market for the new Preferred Stock.

The Underwriters, and certain affiliates thereof, engage in transactions with and perform services for the Company and its affiliates in the ordinary course of business.

The Company has agreed to indemnify the Underwriters against certain liabilities, including certain liabilities under the Securities Act of 1933, as amended.

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PROSPECTUS

Indiana Michigan Power Company
\$105,000,000
Cumulative Preferred Stock

Indiana Michigan Power Company (the "Company") intends to offer from time to time, in one or more transactions, in one or more series at prices and on terms to be determined at the time or times of sale up to an aggregate of 1,050,000 shares of its Cumulative Preferred Stock, \$100 par value, or up to an aggregate of 4,200,000 shares of its Cumulative Preferred Stock, \$25 par value, as an alternative to the sale of some or all of its Cumulative Preferred Stock, \$100 par value. The shares to be offered are hereinafter referred to as the "new Preferred Stock". The total par value of the new Preferred Stock will not exceed \$105,000,000. The aggregate number of shares, par value per share, dividend rate, initial public offering price, voluntary liquidation amount, any redemption provisions, any sinking fund provisions, and other specific terms of each series of new Preferred Stock in respect of which this Prospectus is being delivered will be set forth in an accompanying prospectus supplement ("Prospectus Supplement").

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 Company may sell the new Preferred Stock through underwriters, dealers or agents, or directly to one or more institutional purchasers. A Prospectus Supplement will set forth the names of underwriters, or agents, if any, any applicable commissions or discounts and the net proceeds to the Company from any such sale.

The date of this Prospectus is September 29, 1993

No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in this Prospectus in connection with the offer made by

this Prospectus or any Prospectus Supplement relating hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Company or any underwriter, agent or dealer. Neither this Prospectus nor this Prospectus as supplemented by any Prospectus Supplement constitutes an offer to sell, or a solicitation of an offer to buy, by any underwriter, agent or dealer in any jurisdiction in which it is unlawful for such underwriter, agent or dealer to make such an offer or solicitation. Neither the delivery of this Prospectus or this Prospectus as supplemented by any Prospectus Supplement nor any sale made thereunder shall create, under any circumstances, any implication that there has been no change in the affairs of the Company since the date hereof or thereof.

AVAILABLE INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934 (the "1934 Act") and in accordance therewith files reports and other information with the Securities and Exchange Commission (the "SEC"). Such reports and other information may be inspected and copied at the public reference facilities maintained by the SEC at 450 Fifth Street, N.W., Washington, D.C.; Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois; and 7 World Trade Center, 13th Floor, New York, New York. Copies of such material can be obtained from the Public Reference Section of the SEC, 450 Fifth Street, N.W., Washington, D.C. 20549 at prescribed rates. Certain of the Company's securities are listed on the New York Stock Exchange, Inc. and on the Midwest Stock Exchange, where reports, information statements and other information concerning the Company can also be inspected.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents filed by the Company with the SEC are incorporated in this Prospectus by reference:

- The Company's Annual Report on Form 10-K for the year ended December 31, 1992; and
- The Company's Quarterly Reports on Form 10-Q for the quarters ended March 31, 1993 and June 30, 1993.

All documents subsequently filed by the Company pursuant to Section 13(a), 13(c), 14 or 15(d) of the 1934 Act after the date of this Prospectus and prior to the termination of the offering made by this Prospectus shall be deemed to be incorporated by reference in this Prospectus and to be a part hereof from the date of filing of such documents; provided, however, that the documents enumerated above or subsequently filed by the Company pursuant to Section 13 of the 1934 Act prior to the filing of the

Company's most recent Form 10-K with the SEC shall not be incorporated by reference in this Prospectus or be a part hereof from and after the filing of such Form 10-K.

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 is deemed to be incorporated by reference herein or in a Prospectus Supplement 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.

The Company will provide without charge to each person to whom a copy of this Prospectus has been delivered, upon the written or oral request of any such person, a copy of any or all of the documents described above which have been incorporated by reference in this Prospectus, other than exhibits to such documents. Written requests for copies of such documents should be addressed to Mr. G. C. Dean, American Electric Power Service Corporation, 1 Riverside Plaza, Columbus, Ohio 43215 (telephone number: 614-223-1000). The information relating to the Company contained in this Prospectus or any Prospectus Supplement relating hereto does not purport to be comprehensive and should be read together with the information contained in the documents incorporated by reference.

THE COMPANY

The Company is engaged in the generation, purchase, transmission and distribution of electric power to approximately 520,000 customers in northern and east central Indiana and southwestern Michigan and in supplying electric power at wholesale to other electric utility companies, rural electric cooperatives and municipalities. Its principal executive offices are located at One Summit Square, P.O. Box 60, Fort Wayne, Indiana 46801 (telephone number: 219-425-2111). The Company is a subsidiary of American Electric Power Company, Inc. ("AEP") and is a part of the AEP integrated utility system (the "AEP System"). The executive offices of AEP are located at 1 Riverside Plaza, Columbus, Ohio 43215 (telephone number: 614-223-1000).

USE OF PROCEEDS

The Company proposes to use the proceeds from the sale of the new Preferred Stock to refund, directly or indirectly, cumulative preferred stock and/or long-term debt. The Company's Cumulative Preferred Stock, \$25 per value, \$2.15 Series (1,600,000 shares outstanding) may be redeemed at its regular

redemption price of \$25.54 per share, the Company's Cumulative Preferred Stock, \$100 par value, 8.68% Series (300,000 shares outstanding) may be redeemed at its regular redemption price of \$103.10 per share prior to December 1, 1993 and \$101.80 per share on December 1, 1993 and thereafter, and the Company's Cumulative Preferred Stock, \$100 par value, 7.76% Series (350,000 shares outstanding) may be redeemed at its regular redemption price of \$102.28 per share. The Company may redeem some or all of said series of cumulative preferred stock if they can be refunded at a lower effective cost.

RATIO OF EARNINGS TO FIXED CHARGES AND PREFERRED STOCK DIVIDEND REQUIREMENTS COMBINED

Below is set forth the ratio of earnings to fixed charges and preferred stock dividend requirements combined for each of the years in the period 1988 through 1992 and for the twelve months ended June 30, 1993. Ratios for the periods through December 31, 1991 have been restated to reflect the merger of Michigan Power Company into the Company on February 29, 1992, which was accounted for as a pooling of interests.

Period Ended	Ratio
December 31, 1988	1.99
December 31, 1989	1.90
December 31, 1990	1.75
December 31, 1991	1.86
December 31, 1992	1.71
June 30, 1993	1.66

DESCRIPTION OF THE NEW PREFERRED STOCK

The new Preferred Stock will be issued as one or more new series of the Cumulative Preferred Stock of the Company under the Amended Articles of Acceptance, as amended, of the Company. A copy of the form of Articles of Amendment with respect to the new Preferred Stock is filed as an exhibit to the Registration Statement. References to paragraphs are to numbered paragraphs of Article 6A of the Amended Articles of Acceptance, as amended. The statements herein concerning the Cumulative Preferred Stock (including the new Preferred Stock), the Amended Articles of Acceptance, as amended, and the form of Articles of Amendment with respect to the new Preferred Stock are merely an outline and do not purport to be complete. They are qualified in their entirety by express reference to the cited provisions and do not relate or give effect to the provisions of statutory or common law.

The Cumulative Preferred Stock is issuable in series of equal rank except that shares of different series may vary in

certain specified respects. Each series of the new Preferred Stock will constitute a series of the Cumulative Preferred Stock having a par value of \$100 per share or \$25 per share, and will (a) consist of a number of shares to be set forth in an accompanying Prospectus Supplement, (b) be entitled to dividends at the annual rate set forth in such Prospectus Supplement, cumulative from the date of issue, (c) if applicable, be redeemable at the prices and on the terms under the heading "Redemption of the New Preferred Stock" in such Prospectus Supplement, (d) be entitled to payment of an amount described in such Prospectus Supplement on voluntary liquidation plus an amount equal to accrued unpaid dividends, (e) be entitled to an amount equal to the par value per share on involuntary liquidation plus an amount equal to accrued unpaid dividends and (f) if applicable, be entitled to a sinking fund on the terms described in such Prospectus Supplement.

The shares of the new Preferred Stock, when duly issued and paid for, will be fully paid and nonassessable.

The Transfer Agent and Registrar for the new Preferred Stock will be First Chicago Trust Company of New York, 14 Wall Street, New York, New York 10005.

Dividend Rights and Restrictions

The holders of each series of new Preferred Stock will be entitled to receive cumulative preferential dividends, when and as declared by the Board of Directors, out of funds legally available for the payment of dividends, at the annual dividend rate fixed for the particular series, payable quarterly on dates fixed by the Board of Directors. The Board of Directors proposes to establish January 1, April 1, July 1 and October 1 as dividend payment dates with respect to each series of the new Preferred Stock. No dividends may be declared on any series in respect of any quarterly dividend period unless proportionate dividends are likewise declared on all the shares of all other series of the Cumulative Preferred Stock to the extent that such shares are entitled to receive dividends for such quarterly dividend period. (See Paragraph (2).) If dividends are in default in whole or in part on any series, no shares of Cumulative Preferred Stock may be redeemed, purchased or acquired unless such action has been ordered, approved or permitted by the SEC or a successor regulatory authority. (See Paragraph (3).)

So long as any shares of Cumulative Preferred Stock are outstanding, the Company may not declare or pay any dividend on its Common Stock if such dividend together with all other dividends on Common Stock paid within the year ending on the date such dividend is payable will exceed (a) 50% of the net income available for dividends on Common Stock of the Company for the 12

full calendar months immediately preceding the calendar month in which such dividend is declared, if Common Stock Equity, as defined, is or would become less than 20% of total capitalization, as defined, or (b) 75% of said net income if Common Stock Equity is or would become less than 25% but not less than 20% of total capitalization. (See Paragraph (5).)

Various restrictions on the use of retained earnings for cash dividends on Common Stock, and other purposes are contained in or result from covenants in the Company's Mortgage and Deed of Trust, dated as of June 1, 1939, as heretofore amended and supplemented, relating to outstanding series of the Company's first mortgage bonds, under which The Bank of New York, New York, is acting as Trustee (the "Mortgage"), its debenture agreement, charter provisions and orders of regulatory authorities. At June 30, 1993, the Company's consolidated retained earnings amounted to \$161,460,000, of which approximately \$45,900,000 were so restricted.

Voting Rights

Holders of the Cumulative Preferred Stock, except as required by the law of the State of Indiana, generally have no voting rights, except that in the following circumstances the holders of Cumulative Preferred Stock shall be entitled to vote as a class, with the holders of shares having a par value of \$100 entitled to cast one vote, and the holders of shares having a par value of \$25 entitled to cast one quarter of one vote, for each such share held. (See Paragraph 8(A).)

If and when dividends payable on the Cumulative Preferred Stock shall be in default in an amount equivalent to four full quarterly dividends on all shares of all series of the Cumulative Preferred Stock then outstanding, and until all dividends in default shall have been paid, the holders of the Cumulative Preferred Stock, voting separately as one class, shall be entitled to elect the smallest number of directors necessary to constitute a majority of the Board of Directors. (See Paragraph (8) (B).)

The consent of holders of shares entitled to cast at least two-thirds of the total number of votes entitled to be cast by the holders of the Cumulative Preferred Stock then outstanding is required (a) to create, authorize or issue any stock (other than a series of the Cumulative Preferred Stock) ranking prior to or on a parity with the Cumulative Preferred Stock as to dividends or distributions, or any obligation or security convertible into shares of any such stock, or (b) to amend, alter, change or repeal any of the express terms of the Cumulative Preferred Stock or any outstanding series thereof in a manner substantially prejudicial to the holders thereof. Stock or convertible securities authorized under clause (a) can be issued only within

180 days after the vote on the issuance thereof. Under clause (b), if less than all series are substantially prejudicially affected, only the consent of the holders of shares entitled to cast two-thirds of the total number of votes entitled to be cast by the holders of shares of all series so affected is required. (See Paragraph (7) (A).)

The consent of the holders of shares entitled to cast a majority of the total number of votes entitled to be cast by the holders of the Cumulative Preferred Stock then outstanding is required prior to any of the following corporate actions:

(a) an increase in the total authorized amount of Cumulative Preferred Stock;

(b) any merger or consolidation, unless such action has been approved by the SEC or by a successor regulatory authority;

(c) the issue or assumption of unsecured debt securities, as defined (for purposes other than the reacquisition, redemption or retirement of evidences of indebtedness previously issued or assumed by the Company or of all outstanding shares of Cumulative Preferred Stock) if immediately after such issue or assumption, the total principal amount of all unsecured debt securities (other than the principal amount of all long-term unsecured debt securities not in excess of 10% of the Capitalization of the Company, as defined) issued or assumed by the Company and then outstanding would exceed 10% of the Capitalization of the Company;

(d) the issue, sale or other disposition of any shares of the Cumulative Preferred Stock (i) unless the net income of the Company determined in accordance with generally accepted accounting practices to be available for the payment of dividends for a period of 12 consecutive calendar months within the 15 calendar months immediately preceding such action (but in any event after deducting Depreciation Deficiency, as defined, for said period) shall have been at least equal to twice the annual dividend requirements on all outstanding shares of the Cumulative Preferred Stock, including the shares to be issued; (ii) unless the gross income of the Company for the same period determined in accordance with generally accepted accounting practices (but in any event after deducting the amount for said period charged by the Company on its books to depreciation expense and in addition thereto any Depreciation Deficiency, as defined, for said period) to be available for the payment of interest, shall have been at least one and one-half times the sum of (I) the annual interest charges on all interest-bearing indebtedness of the Company and (II) the annual dividend requirements on all outstanding shares of Cumulative Preferred Stock and of all other classes of stock ranking prior to or on a parity with the Cumulative Preferred

Stock as to dividends or distributions, including the shares to be issued; and (iii) unless the aggregate of the capital of the Company applicable to Common Stock and of the surplus of the Company immediately after such issuance, sale or other disposition, less any Depreciation Deficiency, as defined, for the period from December 31, 1952 to such date, shall be not less than the amount payable upon the involuntary dissolution, liquidation or winding up of the Company to the holders of the Cumulative Preferred Stock, excluding from the foregoing computation all stock which is to be retired in connection with such additional issue. No dividends may be paid on Common Stock which would result in the reduction of capital and surplus below the requirements of the above clause (d)(iii). (See Paragraph (7)(B).)

The restrictions and limitations described or referred to above, which are designed to protect the relative positions of the holders of outstanding senior securities of the Company, can operate in such manner as to limit substantially the additional amounts of senior securities which can be issued by the Company, thus requiring, where adverse economic conditions persist for continued periods, relatively greater amounts of equity capital to be obtained to finance construction and other capital requirements of the Company.

Liquidation Rights

On any liquidation, dissolution or winding up of the Company, after payment of the creditors of the Company, the holders of the Cumulative Preferred Stock have a right to receive out of the assets of the Company the full amount designated for the respective series, together with accrued and unpaid dividends, or, if the Company's assets are insufficient, to share ratably with all other series of the Cumulative Preferred Stock prior to any distribution to the holders of the Common Stock. (See Paragraphs (4) and (6).)

Sinking Fund

If any series of the new Preferred Stock is subject to a sinking fund, information regarding the same will be set forth in a Prospectus Supplement. There is no restriction on the repurchase or redemption of shares of the Cumulative Preferred Stock of any series, including the new Preferred Stock, by the Company while there is any arrearage in sinking fund installments with respect to the new Preferred Stock.

Redemption of the New Preferred Stock

See the Prospectus Supplement.

Pre-emptive and Conversion Rights

Holders of the Cumulative Preferred Stock have no right to subscribe for, purchase or receive any proportionate or other share of any stock issued by the Company, or any right to convert their shares into any other securities of the Company.

LEGAL OPINIONS

Opinions with respect to the legality of the new Preferred Stock will be rendered by Simpson Thacher & Bartlett (a partnership which includes professional corporations), 425 Lexington Avenue, New York, New York, and 1 Riverside Plaza, Columbus, Ohio, counsel for the Company, and by Winthrop, Stimson, Putnam & Roberts, One Battery Park Plaza, New York, New York, counsel for any underwriters, dealers or agents.

EXPERTS

The financial statements and related financial statement schedules incorporated by reference or included in the Company's most recent Annual Report on Form 10-K and incorporated by reference in this Prospectus have been audited by Deloitte & Touche, independent auditors, as stated in their reports appearing in and incorporated by reference in such Annual Report on Form 10-K, and have been so incorporated herein in reliance upon such reports given upon the authority of that firm as experts in accounting and auditing.

PLAN OF DISTRIBUTION

The Company may sell the new Preferred Stock in any of three ways: (i) through underwriters or dealers; (ii) directly to a limited number of purchasers or to a single purchaser; or (iii) through agents. The Prospectus Supplement relating to a series of the new Preferred Stock will set forth the terms of the offering of the new Preferred Stock, including the name or names of any underwriters, dealers or agents, the purchase price of such new Preferred Stock and the proceeds to the Company from such sale, any underwriting discount and other items constituting underwriters' or agents' compensation, any initial public offering price and any discounts or concessions allowed or reallocated or paid to dealers. Any initial public offering price and any discounts or concessions allowed or reallocated or paid to dealers may be changed from time to time after the initial public offering.

If underwriters are used in the sale, the new Preferred Stock will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering

price or at varying prices determined at the time of the sale. The underwriters with respect to a particular underwritten offering of new Preferred Stock will be named in the Prospectus Supplement relating to such offering and, if an underwriting syndicate is used, the managing underwriters will be set forth on the cover page of such Prospectus Supplement. Unless otherwise set forth in the Prospectus Supplement, the obligations of the underwriters to purchase the new Preferred Stock will be subject to certain conditions precedent, and the underwriters will be obligated to purchase all such new Preferred Stock if any are purchased.

The new Preferred Stock may be sold directly by the Company or through agents designated by the Company from time to time. The Prospectus Supplement will set forth the name of any agent involved in the offer or sale of the new Preferred Stock in respect of which the Prospectus Supplement will be delivered as well as any commissions payable by the Company to such agent. Unless otherwise indicated in the Prospectus Supplement, any such agent will be acting on a reasonable best efforts basis for the period of its appointment.

If so indicated in the Prospectus Supplement, the Company will authorize agents, underwriters or dealers to solicit offers by certain specified institutions to purchase the new Preferred Stock from the Company at the public offering price set forth in the Prospectus Supplement pursuant to delayed delivery contracts providing for payment and delivery on a specified date in the future. Such contracts will be subject to those conditions set forth in the Prospectus Supplement, and the Prospectus Supplement will set forth the commission payable for solicitation of such contracts.

Subject to certain conditions, the Company will agree to indemnify any underwriters, dealers, agents or purchasers and their controlling persons against certain civil liabilities, including certain liabilities under the Securities Act of 1933.

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