

REVLON INTERNATIONAL CORP

Form 424B3

June 01, 2010

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**Filed Pursuant to Rule 424(b)(3)
Registration File No.: 333-166217**

PROSPECTUS

Revlon Consumer Products Corporation

Offer to exchange \$330 million aggregate principal amount of 93/4% Senior Secured Notes Due 2015 (CUSIP Nos. U8000E AG4 and 761519 BA4) (which we refer to as the old notes) for \$330 million aggregate principal amount of 93/4% Senior Secured Notes Due 2015 (CUSIP No. 761519 BB2) (which we refer to as the new notes) which have been registered under the Securities Act of 1933, as amended (the Securities Act), and fully and unconditionally guaranteed by the guarantors listed on page ii of this prospectus. When we use the term notes in this prospectus, the term includes the old notes and the new notes.

The exchange offer will expire at 5:00 p.m., New York City time, on July 1, 2010 (the 30th day following the date of this prospectus), unless we extend the exchange offer.

Terms of the exchange offer:

We will exchange new notes for all outstanding old notes that are validly tendered and not withdrawn prior to the expiration or termination of the exchange offer.

You may withdraw tenders of old notes at any time prior to the expiration or termination of the exchange offer.

The terms of the new notes are substantially identical to those of the outstanding old notes, except that the transfer restrictions and registration rights (including interest rate increases) relating to the old notes do not apply to the new notes.

The exchange of old notes for new notes will not be a taxable transaction for U.S. federal income tax purposes. You should see the discussion under the caption Certain Material U.S. Federal Income Tax Considerations for more information.

We will not receive any proceeds from the exchange offer.

We issued the old notes in a transaction not requiring registration under the Securities Act, and as a result, their transfer is restricted. We are making the exchange offer to satisfy your registration rights, as a holder of the old notes.

We do not intend to list the new notes on any securities exchange or to seek approval for quotation through any automated quotation system.

Each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. The letter of transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for old notes where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, for a period of 210 days after the expiration of the exchange offer, we will make this prospectus

available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

See Risk Factors beginning on page 22 for a discussion of risks you should consider prior to tendering your outstanding old notes for exchange.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is June 1, 2010.

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Unless otherwise indicated or the context requires otherwise, the terms Products Corporation, the Company, we, ours and us refer to Revlon Consumer Products Corporation and its subsidiaries. However, in the descriptions of the notes and related matters, these terms refer solely to Revlon Consumer Products Corporation and not to any of its subsidiaries. Unless otherwise indicated or the context requires otherwise, the term Revlon refers to Revlon, Inc., our parent company.

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GUARANTORS

Revlon, Inc.
Almay, Inc.
Charles of the Ritz Group Ltd.
Charles Revson Inc.
Cosmetics & More Inc.
North America Revsale Inc.
PPI Two Corporation
Revlon Consumer Corp.
Revlon Development Corp.
Revlon Government Sales, Inc.
Revlon International Corporation
Revlon Real Estate Corporation
RIROS Corporation
RIROS Group Inc.

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INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Securities and Exchange Commission, or the SEC, allows certain issuers, including Products Corporation and Revlon, to incorporate by reference information into a prospectus such as this one, which means that we can disclose important information about us by referring you to those documents that are considered part of this prospectus. Any statement contained in this prospectus or a document incorporated by reference into this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained herein or therein, or in any other subsequently filed document that also is deemed to be incorporated herein or therein by reference, modifies or supersedes such statement. A statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

We incorporate by reference into this prospectus the documents set forth below that have been previously filed with the SEC, provided, however, that we are not incorporating any information furnished rather than filed on any Current Report on Form 8-K or Form 8-K/A:

The Annual Report on Form 10-K of Products Corporation for the fiscal year ended December 31, 2009 as filed with the SEC on February 25, 2010;

The Annual Report on Form 10-K of Revlon for the fiscal year ended December 31, 2009 as filed with the SEC on February 25, 2010;

The Definitive Proxy Statement on Schedule 14A of Revlon filed with the SEC on April 21, 2010;

The Quarterly Report on Form 10-Q of Products Corporation filed with the SEC on April 29, 2010;

The Quarterly Report on Form 10-Q of Revlon filed with the SEC on April 29, 2010;

The Current Reports on Form 8-K of Products Corporation filed with the SEC on March 11, 2010 and March 16, 2010;

The Current Reports on Form 8-K of Revlon filed with the SEC on January 8, 2010, March 11, 2010 and March 16, 2010; and

Any future filings Products Corporation or Revlon make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act), until the exchange offer expires or is otherwise terminated.

WHERE YOU CAN FIND MORE INFORMATION

Products Corporation and Revlon file and furnish annual, quarterly and current reports and other information with the SEC. You may read and copy any reports or other information that they file or furnish with the SEC at the SEC's Public Reference Room located at Station Place, 100 F Street, N.E., Washington, D.C. 20549. You may also receive copies of these documents upon payment of a duplicating fee, by writing to the SEC's Public Reference Room. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room in Washington, D.C. and other locations. The SEC filings of Products Corporation and Revlon are also available to the public on the SEC's website (www.sec.gov).

This prospectus incorporates important business and financial information about us that is not included in or delivered with this document. This information is available without charge to security holders upon written or oral request to:

Investor Relations
Revlon Consumer Products Corporation
237 Park Avenue
New York, New York 10017
(212) 527-4000

In order to obtain timely delivery of such materials, you must request information from us no later than five business days prior to the expiration of the exchange offer.

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PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. This summary is not complete and does not contain all of the information that you should consider before exchanging your old notes for new notes. You should carefully read the entire prospectus, including the risk factors, the financial data and financial statements included or incorporated by reference herein and the other documents incorporated by reference in this prospectus.

Our Company

Our vision is glamour, excitement and innovation through high-quality products at affordable prices. We manufacture, market and sell an extensive array of cosmetics, women's hair color, beauty tools, anti-perspirants/deodorants, fragrances, skincare and other beauty care products. We are one of the world's leading cosmetics companies in the mass retail channel (as defined herein). We believe that our global brand name recognition, product quality and marketing experience have enabled us to create one of the strongest consumer brand franchises in the world. For the year ended December 31, 2009, we generated net sales of \$1,295.9 million and income from continuing operations of \$58.5 million.

Our products are sold worldwide and marketed under such brand names as **Revlon**, including the **Revlon ColorStay**, **Revlon Super Lustrous** and **Revlon Age Defying** franchises, as well as the **Almay** brand, including the **Almay Intense i-Color** and **Almay Smart Shade** franchises, in cosmetics; **Revlon ColorSilk** in women's hair color; **Revlon** in beauty tools; **Mitchum** in anti-perspirants/deodorants; **Charlie** and **Jean Naté** in fragrances; and **Ultima II** and **Gatineau** in skincare.

Our principal customers include large mass volume retailers and chain drug and food stores (collectively, the mass retail channel) in the U.S., as well as certain department stores and other specialty stores, such as perfumeries, outside the U.S. We also sell beauty products to U.S. military exchanges and commissaries and have a licensing business pursuant to which we license certain of our key brand names to third parties for complementary beauty-related products and accessories in exchange for royalties.

We were founded by Charles Revson, who revolutionized the cosmetics industry by introducing nail enamels matched to lipsticks in fashion colors over 75 years ago. Today, we have leading market positions in a number of our principal product categories in the U.S. mass retail channel, including color cosmetics (face, lip, eye and nail categories), women's hair color, beauty tools and anti-perspirants/deodorants. We also have leading market positions in several product categories in certain foreign countries, including Australia, Canada and South Africa.

Our Business Strategy

Our strategic goal is to profitably grow our business. The business strategies employed by us to achieve this goal are:

1. **Building our strong brands.** We continue to build our strong brands by focusing on innovative, high-quality, consumer-preferred brand offering; effective consumer brand communication; appropriate levels of advertising and promotion; and superb execution with our retail partners.
2. **Developing our organizational capability.** We continue to develop our organizational capability through attracting, retaining and rewarding highly capable people and through performance management, development planning, succession planning and training.

3. ***Driving our company to act globally.*** We continue to drive common global processes which are designed to provide the most efficient allocation of our resources.

4. ***Increasing our operating profit and cash flow.*** We continue to focus on increasing our operating profit and cash flow.

5. ***Improving our capital structure.*** We continue to improve our capital structure by focusing on strengthening our balance sheet and reducing debt.

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Recent Debt Reduction Transactions

We reduced our long-term indebtedness by \$80.7 million during 2009 and extended the maturity on a significant portion of our long-term debt primarily as a result of the following transactions:

2006 Bank Term Loan Facility. In January 2009, we made a required quarterly amortization payment of \$2.1 million under our 2006 Bank Term Loan Facility (as defined herein). In February 2009, we repaid \$16.6 million in principal amount under our 2006 Bank Term Loan Facility pursuant to the requirement under the 2006 Bank Term Loan Agreement (as defined herein) to repay term loan indebtedness with 50% of our 2008 excess cash flow (as defined under such agreement), which repayment satisfied our required quarterly term loan amortization payments of \$2.1 million per quarter that would otherwise have been due on April 15, 2009, July 15, 2009, October 15, 2009, January 15, 2010, April 15, 2010, July 15, 2010, October 15, 2010 and \$1.9 million of the amortization payment otherwise due on January 15, 2011. At December 31, 2009, the principal amount outstanding under our 2006 Bank Term Loan Facility was \$815.0 million.

On March 11, 2010, we refinanced our 2006 Bank Term Loan Facility with our new 2010 Bank Term Loan Facility (as defined herein). See [Refinancing of our 2006 Bank Credit Facilities](#) below.

Extension of the maturity of the Senior Subordinated Term Loan. In October 2009, Revlon consummated its voluntary exchange offer (the [2009 Equity Exchange Offer](#)) in which Revlon issued to stockholders (other than MacAndrews & Forbes Holdings Inc. and its affiliates (MacAndrews & Forbes Holdings Inc. and, together with its affiliates other than Revlon and Products Corporation, [MacAndrews & Forbes](#))) 9,336,905 shares of Series A preferred stock, par value \$0.01 per share (the [Preferred Stock](#)), in exchange for the same number of shares of Class A Common Stock tendered for exchange in the [2009 Equity Exchange Offer](#).

Each share of the Preferred Stock issued in the [2009 Equity Exchange Offer](#) has a liquidation preference of \$5.21 per share and is entitled to receive a 12.75% annual dividend payable quarterly in cash and is mandatorily redeemable for \$5.21 in cash on October 8, 2013. Each share of Preferred Stock entitles its holder to receive cash payments of approximately \$7.87 over the four-year term of the Preferred Stock, through the quarterly payment of 12.75% annual cash dividends (subject to Revlon having sufficient surplus or net profits in accordance with Delaware law available to effect such payments) and a \$5.21 per share liquidation preference at maturity (assuming Revlon does not engage in one of certain specified change of control transactions), subject to Revlon having sufficient surplus in accordance with Delaware law available to effect such payments.

Upon consummation of the [2009 Equity Exchange Offer](#), MacAndrews & Forbes contributed to Revlon \$48.6 million of the \$107.0 million aggregate outstanding principal amount of the Senior Subordinated Term Loan (the [Senior Subordinated Term Loan](#)) made by MacAndrews & Forbes to Products Corporation (the [Contributed Loan](#)), representing \$5.21 of outstanding principal amount for each of the 9,336,905 shares of Revlon Class A Common Stock exchanged in the [2009 Equity Exchange Offer](#), and Revlon issued to MacAndrews & Forbes 9,336,905 shares of Class A Common Stock at a ratio of one share of Class A Common Stock for each \$5.21 of outstanding principal amount of the Senior Subordinated Term Loan contributed to Revlon. Also upon consummation of the [2009 Equity Exchange Offer](#), the terms of the Senior Subordinated Term Loan Agreement dated as of January 30, 2008, between Products Corporation and MacAndrews & Forbes (the [Senior Subordinated Term Loan Agreement](#)), were amended:

to extend the maturity date on the Contributed Loan which remains owing from us to Revlon from August 2010 to October 8, 2013;

to change the annual interest rate on the Contributed Loan from 11% to 12.75%;

to extend the maturity date on the \$58.4 million principal amount of the Senior Subordinated Term Loan which remains owing from us to MacAndrews & Forbes (the Non-Contributed Loan) from August 2010 to October 8, 2014; and

to change the annual interest rate on the Non-Contributed Loan from 11% to 12%.

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As of March 31, 2010, MacAndrews & Forbes beneficially owned in the aggregate 37,544,640 shares of Revlon Class A Common Stock. MacAndrews & Forbes is wholly-owned by Ronald O. Perelman. Mr. Perelman, through MacAndrews & Forbes, also beneficially owns all of the outstanding 3,125,000 shares of Revlon's Class B Common Stock. Based on such shares, as of March 31, 2010, MacAndrews & Forbes beneficially owned approximately 77% of Revlon's Class A Common Stock, 100% of Revlon's Class B Common Stock and approximately 78% of the combined Revlon Class A Common Stock and Class B Common Stock (representing approximately 77% of the combined voting power of Revlon's Class A and Class B Common Stock and Revlon's Preferred Stock), and beneficially owned approximately 67% of the combined Revlon Class A Common Stock, Class B Common Stock and Preferred Stock.

Refinancing of the 9 1/2% Senior Notes. In November 2009, we issued and sold \$330.0 million in aggregate principal amount of the old notes in a private placement which was priced at 98.9% of par.

We used the \$319.8 million of net proceeds from the old notes (net of original issue discount and underwriters fees), together with \$42.6 million of other cash and borrowings under the 2006 Bank Revolving Credit Facility (as defined herein), to repay or redeem all of the \$340.5 million aggregate principal amount outstanding of our 9 1/2% Senior Notes due April 1, 2011 (the 9 1/2% Senior Notes), plus an aggregate of \$21.9 million for accrued interest, applicable redemption and tender premiums and fees and expenses related to refinancing the 9 1/2% Senior Notes, as well as the amendments to the 2006 Bank Credit Agreements (as defined herein) required to permit such refinancing to be conducted on a secured basis.

Prior to their complete refinancing in November 2009, we repurchased \$49.5 million in aggregate principal amount of the 9 1/2% Senior Notes at an aggregate purchase price of \$41.0 million, net of the write-off of the ratable portion of unamortized debt discounts and deferred financing fees resulting from such repurchases.

As a result of these transactions, all of our outstanding 9 1/2% Senior Notes have been refinanced. In addition, as a result of these transactions and the refinancing of the 2006 Bank Credit Facilities (see Refinancing of our 2006 Bank Credit Facilities below), we have no significant debt maturities prior to October 2013.

Refinancing of our 2006 Bank Credit Facilities

In December 2006, we entered into a 5-year, \$840.0 million term loan facility (the 2006 Bank Term Loan Facility) pursuant to the term loan agreement, dated as of December 20, 2006, among Products Corporation, as borrower, the lenders party thereto, Citicorp USA, Inc. (CUSA), as administrative agent and collateral agent, Citigroup Global Markets Inc. (CGMI), as sole lead arranger and sole bookrunner, and JPMorgan Chase Bank, N.A. (JPMCB), as syndication agent (the 2006 Bank Term Loan Agreement). In December 2006, we also entered into a \$160.0 million revolving credit agreement (the 2006 Bank Revolving Credit Agreement and, together with the 2006 Term Loan Agreement, the 2006 Bank Credit Agreements) that amended and restated our 2004 credit agreement (with such revolving credit facility being the 2006 Bank Revolving Credit Facility and, together with the 2006 Bank Term Loan Facility, the 2006 Bank Credit Facilities). The 2006 Bank Credit Facilities were scheduled to mature on January 15, 2012.

As part of our strategy to continue to improve our capital structure, on March 11, 2010 we consummated our previously-announced bank refinancing by refinancing our 2006 Bank Term Loan Facility with a new 5-year, \$800.0 million term loan facility (the 2010 Bank Term Loan Facility) under a second amended and restated term loan agreement, dated as of March 11, 2010, among Products Corporation, as borrower, the lenders party thereto, CGMI, J.P. Morgan Securities Inc. (JPM Securities), Banc of America Securities LLC (BAS) and Credit Suisse Securities (USA) LLC (Credit Suisse), as joint lead arrangers, CGMI, JPM Securities, BAS, Credit Suisse and Natixis, New York Branch (Natixis), as joint bookrunners, JPMCB and Bank of America, N.A. as co-syndication agents, Credit

Suisse and Natixis as co-documentation agents, and CUSA, as administrative agent and collateral agent (the 2010 Bank Term Loan Agreement).

On March 11, 2010, we also refinanced our 2006 Bank Revolving Credit Facility, which had nil outstanding borrowings at December 31, 2009, with a 4-year, \$140.0 million asset-based, multi-currency revolving credit

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facility (the 2010 Bank Revolving Credit Facility and, together with the 2010 Bank Term Loan Facility, the 2010 Bank Credit Facilities) under a second amended and restated revolving credit agreement, dated as of March 11, 2010, among Products Corporation, as borrower, the lenders party thereto, CGMI and Wells Fargo Capital Finance, LLC (WFS), as joint lead arrangers, CGMI, WFS, BAS, JPM Securities and Credit Suisse, as joint bookrunners, and CUSA, as administrative agent and collateral agent (the 2010 Bank Revolving Credit Agreement and, together with the 2010 Bank Term Loan Agreement, the 2010 Bank Credit Agreements).

The 2010 Bank Term Loan Facility extended the maturity of our 2006 Bank Term Loan Facility to March 11, 2015 and the 2010 Bank Revolving Credit Facility extended the maturity of our 2006 Bank Revolving Credit Facility to March 11, 2014.

We used the approximately \$786 million of proceeds from the 2010 Bank Term Loan Facility, which was drawn in full on the March 11, 2010 closing date and issued to lenders at 98.25% of par, plus approximately \$31 million of available cash and approximately \$20 million drawn on the 2010 Bank Revolving Credit Facility to refinance in full the approximately \$815 million of outstanding indebtedness under our 2006 Bank Term Loan Facility, to pay approximately \$7 million of accrued interest and to pay approximately \$15 million of fees and expenses incurred in connection with consummating the refinancing, of which approximately \$9 million was capitalized.

Our Strengths

Broad Beauty Care Brand Portfolio with Leading Retail Share Positions. We believe that our global brand name recognition, product quality and marketing experience have enabled us to create one of the strongest consumer brand franchises in the world. Our products are sold worldwide and marketed under such brand names as **Revlon**, including the **Revlon ColorStay**, **Revlon Super Lustrous** and **Revlon Age Defying** franchises, as well as the **Almay** brand, including the **Almay Intense i-Color** and **Almay Smart Shade** franchises, in cosmetics; **Revlon ColorSilk** in women's hair color; **Revlon** in beauty tools; **Mitchum** in anti-perspirants/deodorants; **Charlie** and **Jean Naté** in fragrances; and **Ultima II** and **Gatineau** in skincare.

Strong and Diversified International Business. Our products are sold worldwide, and we have leading market positions in several product categories in certain foreign countries, including Australia, Canada and South Africa. In 2008 and 2009, our international operations generated net sales of \$564.2 million and \$548.0 million, respectively, which represented approximately 42% of both our 2008 and 2009 worldwide consolidated net sales. Based on our 2008 and 2009 net sales, Asia Pacific and Africa represented approximately 47% and 49%, respectively, of our international net sales; Europe, which was comprised of Europe, Canada and the Middle East, represented approximately 36% and 31%, respectively, of our international net sales; and Latin America, which is comprised of Mexico, Central America and South America, represented approximately 17% and 20%, respectively, of our international net sales.

Developing and Marketing Innovative Products. We continue to build our strong brands by focusing on innovative, high-quality, consumer-preferred brand offering; effective consumer brand communication; appropriate levels of advertising and promotion; and superb execution with our retail partners. In meeting the needs of consumers seeking new, innovative products, we introduced several new products in the second half of 2009, featuring first-to-market breakthrough technologies in **Revlon** and **Almay** color cosmetics, including **Revlon ColorStay Ultimate** liquid lipstick, **Revlon DoubleTwist** mascara, **Revlon ColorStay Mineral Mousse** makeup and **Almay Smart Shade Smart Balance** makeup. For the first half of 2010, we have introduced several exciting new products in **Revlon** and **Almay** color cosmetics, **Revlon Beauty Tools** and **Mitchum**. These launches include several new technologies and on-trend shades that are a hallmark of **Revlon**'s color authority, including **Revlon PhotoReady** makeup and **Revlon ColorBurst** lipstick. The first-half of 2010 product offerings were available in retail stores beginning in January 2010.

Well-Developed Relationships with Retail Partners. We have long-established and well-developed relationships with our retail partners around the world. We work closely with our retail partners to ensure that we have the appropriate product offering for our consumers. These relationships enhance our ability to successfully and profitably grow our business globally.

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Strong Management Team. We have a dedicated and experienced management team. In April 2009 we announced a planned leadership transition to ensure that we have highly capable executives to continue to strategically lead our business. We believe that under the leadership of Alan T. Ennis, our President and Chief Executive Officer; David L. Kennedy, our Vice Chairman; Chris Elshaw, our Executive Vice President and Chief Operating Officer; Robert K. Kretzman, our Executive Vice President, Human Resources, Chief Legal Officer and General Counsel; and Steven Berns, our Executive Vice President and Chief Financial Officer, we have made significant progress in the execution of our established business strategy, including the significant improvement in our operating profit margins and cash flows. In addition, we also formed an Office of the Vice Chairman, consisting of Messrs. Kennedy, Ennis and Elshaw, to oversee our strategic development.

Additional Information

Our principal executive offices are located at 237 Park Avenue, New York, New York 10017. Our telephone number at such principal location is (212) 527-4000.

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SUMMARY DESCRIPTION OF THE EXCHANGE OFFER

On November 23, 2009, Products Corporation completed the private placement of \$330,000,000 aggregate principal amount of the old notes. As part of that offering, Products Corporation entered into a registration rights agreement with the initial purchasers of the old notes, dated as of November 23, 2009, in which it agreed, among other things, to use its reasonable best efforts to deliver this prospectus to you and to complete an exchange offer for the old notes. Below is a summary of the exchange offer.

Old Notes	\$330 million aggregate principal amount of 93/4% senior secured notes due 2015.
New Notes	Up to \$330 million aggregate principal amount of 93/4% senior secured notes due 2015, the issuance of which has been registered under the Securities Act. The form and terms of the new notes are identical in all material respects to those of the old notes, except that the transfer restrictions and registration rights (including interest rate increases) relating to the old notes do not apply to the new notes.
Exchange Offer	We are offering to issue up to \$330 million aggregate principal amount of the new notes in exchange for a like principal amount of the old notes to satisfy our obligations under the registration rights agreement that was executed when the old notes were issued in a transaction in reliance upon the exemption from registration provided by Rule 144A and Regulation S of the Securities Act. Old notes may be tendered in minimum denominations of principal amount of \$2,000 and integral multiples of \$1,000. We will issue the new notes promptly after expiration of the exchange offer. See The Exchange Offer Terms of the Exchange; Period for Tendering Old Notes.
Expiration Date; Tenders	<p>The exchange offer will expire at 5:00 p.m., New York City time, on July 1, 2010 (the 30th day following the date of this prospectus), unless extended in our sole discretion. By tendering your old notes, you represent to us that:</p> <p>any new notes you receive in the exchange offer are being acquired by you in the ordinary course of your business;</p> <p>neither you nor anyone receiving new notes from you, has any arrangement or understanding with any person to participate in a distribution of the old notes or the new notes, as defined in the Securities Act;</p> <p>you are not our affiliate, as defined in Rule 405 under the Securities Act or, if you are, you acknowledge that you must comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable;</p> <p>if you are not a broker-dealer, you are not engaged in, and do not intend to engage in, a distribution of the new notes;</p>

you are not holding old notes that have, or are reasonably likely to have, the status of an unsold allotment in the initial offering; and

if you are a broker-dealer, you will receive new notes for your own account in exchange for old notes that were acquired by you as a result of your market-making activities or other trading activities, and you will deliver a prospectus in connection with any resale of the new notes you receive. For further information regarding resales

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of the new notes by participating broker-dealers, see the discussion under the caption **Plan of Distribution**.

Withdrawal; Non-Acceptance

You may withdraw any old notes tendered in the exchange offer at any time prior to 5:00 p.m., New York City time, on July 1, 2010. If we decide for any reason not to accept any old notes tendered for exchange, the old notes will be returned to the registered holder at our expense promptly after the expiration or termination of the exchange offer. In the case of the old notes tendered by book-entry transfer into the exchange agent's account at The Depository Trust Company (**DTC**), any withdrawn or unaccepted old notes will be credited to the tendering holder's account at DTC. For further information regarding the withdrawal of tendered old notes, see **The Exchange Offer Terms of the Exchange Offer; Period for Tendering Old Notes** and the **The Exchange Offer Withdrawal Rights**.

Conditions to the Exchange Offer

The exchange offer is subject to customary conditions, which we may waive. See the discussion below under the caption **The Exchange Offer Conditions to the Exchange Offer** for more information regarding the conditions to the exchange offer.

Procedures for Tendering the Old Notes

You must do the following on or prior to the expiration or termination of the exchange offer to participate in the exchange offer:

tender your old notes by sending the certificates for your old notes, in proper form for transfer, a properly completed and duly executed letter of transmittal, with any required signature guarantees, and all other documents required by the letter of transmittal, to U.S. Bank National Association, as exchange agent, at one of the addresses listed below under the caption **The Exchange Offer Exchange Agent**; or

tender your old notes by using the book-entry transfer procedures described below and transmitting a properly completed and duly executed letter of transmittal, with any required signature guarantees, or an agent's message instead of the letter of transmittal, to the exchange agent. In order for a book-entry transfer to constitute a valid tender of your old notes in the exchange offer, U.S. Bank National Association, as exchange agent, must receive a confirmation of book-entry transfer of your old notes into the exchange agent's account at DTC prior to the expiration or termination of the exchange offer. For more information regarding the use of book-entry transfer procedures, including a description of the required agent's message, see the discussion below under the caption **The Exchange Offer Book-Entry Transfers**.

Special Procedures for Beneficial Owners

If you are a beneficial owner whose old notes are registered in the name of the broker, dealer, commercial bank, trust company or other nominee and you wish to tender your old notes in the exchange offer, you should promptly contact the person in whose name the old notes are registered and instruct that person to tender on your behalf. If you wish to tender in the exchange offer on your own behalf, prior to completing and executing

the letter of transmittal and delivering your old notes, you must either make appropriate arrangements to register ownership of the old notes in your name or obtain a properly

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completed bond power from the person in whose name the old notes are registered.

Certain Material U.S. Federal Income Tax Considerations The exchange of the old notes for new notes in the exchange offer will not be a taxable transaction for United States federal income tax purposes. See the discussion under the caption Certain Material U.S. Federal Income Tax Considerations for more information regarding the tax consequences to you of the exchange offer.

Use of Proceeds We will not receive any proceeds from the exchange offer.

Exchange Agent U.S. Bank National Association is the exchange agent for the exchange offer. You can find the address and telephone number of the exchange agent below under the caption The Exchange Offer Exchange Agent.

Resales Based on interpretations by the staff of the SEC as set forth in no-action letters issued to the third parties, we believe that the new notes you receive in the exchange offer may be offered for resale, resold or otherwise transferred without compliance with the registration and prospectus delivery provisions of the Securities Act. However, you will not be able to freely transfer the new notes if:

you are our affiliate, as defined in Rule 405 under the Securities Act;

you are not acquiring the new notes in the exchange offer in the ordinary course of your business;

you are participating or intend to participate, or have an arrangement or understanding with any person to participate in the distribution, as defined in the Securities Act, of the new notes, you will receive in the exchange offer;

you are holding old notes that have or are reasonably likely to have the status of an unsold allotment in the initial offering; or

you are a participating broker-dealer that received new notes for its own account in the exchange offer in exchange for old notes that were acquired as a result of market-making activities or other trading activities.

If you fall within one of the exceptions listed above, you cannot rely on the applicable interpretations of the staff of the SEC and you must comply with the applicable registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction involving the new notes. See the discussion below under the caption The Exchange Offer Procedures for Tendering Old Notes for more information.

Broker-Dealer Each broker-dealer that receives new notes for its own account in exchange for old notes, where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading

activities, must acknowledge that it will deliver a prospectus in connection with any resale of new notes. See Plan of Distribution.

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Furthermore, a broker-dealer that acquired any of its old notes directly from us:

may not rely on the applicable interpretations of the staff or the SEC's position contained in Exxon Capital Holdings Corp., SEC no-action letter (Apr. 13, 1988); Morgan Stanley & Co. Inc., SEC no-action letter (June 5, 1991); or Shearman & Sterling, SEC no-action letter (July 2, 1993); and

must also be named as a selling security holder in connection with the registration and prospectus delivery requirements of the Securities Act relating to any resale transaction.

Registration Rights Agreement

When the old notes were issued, we entered into a registration rights agreement with the initial purchasers of the old notes. Under the terms of the registration rights agreement, we agreed to use our reasonable best efforts to file with the SEC and cause to become effective, a registration statement relating to an offer to exchange the old notes for the new notes.

If we do not complete the exchange offer within 270 days of the date of issuance of the old notes (i.e. by August 20, 2010) the interest rate borne by the old notes will be increased at a rate of 0.25% per annum every 90 days (but shall not exceed 0.50% per annum) until the exchange offer is completed.

Under some circumstances set forth in the registration rights agreement, holders of old notes, including holders who are not permitted to participate in the exchange offer or who may not freely sell new notes received in the exchange offer, may require us to file and cause to become effective, a shelf registration statement covering resales of the old notes by these holders.

A copy of the registration rights agreement is incorporated by reference as an exhibit to the registration statement of which this prospectus is a part. See Description of the New Notes Registration Rights and Additional Interest.

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Consequences of Not Exchanging Your Old Notes

If you do not exchange your old notes in the exchange offer, your old notes will continue to be subject to the restrictions on transfer described in the legend on the certificate for your old notes. In general, you may offer or sell your old notes only:

if they are registered under the Securities Act and applicable state securities laws;

if they are offered or sold under an exemption from registration under the Securities Act and applicable state securities laws; or

if they are offered or sold in a transaction not subject to the Securities Act and applicable state securities laws.

We do not currently intend to register the old notes under the Securities Act. Under some circumstances, however, holders of the old notes, including holders who are not permitted to participate in the exchange offer or who may not freely resell new notes received in the exchange offer, may require us to file, and to cause to become effective, a shelf registration statement covering resales of old notes by these holders. For more information regarding the consequences of not tendering your old notes and our obligation to file a shelf registration statement, see [The Exchange Offer](#) [Consequences of Exchanging or Failing to Exchange Old Notes](#) and [Description of the New Notes Registration Rights and Additional Interest](#).

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SUMMARY DESCRIPTION OF THE NEW NOTES

The terms of the new notes and those of the outstanding old notes are substantially identical, except that the transfer restrictions and registration rights (including interest rate increases) relating to the old notes do not apply to the new notes. When we use the term "notes" in this prospectus, the term includes the old notes and the new notes. For a more detailed description of the new notes, see "Description of the New Notes."

Notes Offered	Up to \$330 million aggregate principal amount of 93/4% senior secured notes due 2015.
Maturity Date	November 15, 2015.
Interest Payment Dates	May 15 and November 15 of each year, beginning May 15, 2010.
Guarantees	<p>The new notes will be fully and unconditionally guaranteed on a senior secured basis by Revlon, our parent company, and our current domestic subsidiaries (other than certain immaterial subsidiaries) that guarantee our old notes and our obligations under our 2010 Bank Credit Agreements and certain future domestic subsidiaries that may guarantee our obligations under our 2010 Bank Credit Agreements. See "Description of the New Notes - General Guarantees."</p> <p>For the year ended December 31, 2009, our non-guarantor subsidiaries represented, on a consolidated basis, approximately \$500.9 million, or 38.7%, of our total net sales and approximately \$21.2 million, or 36.1%, of our total net income. In addition, as of December 31, 2009, our non-guarantor subsidiaries represented, on a consolidated basis, 63.4% of our total assets, or 27.2% of our total assets (excluding intercompany assets), and approximately \$141.9 million, or 7.8%, of our outstanding indebtedness and other liabilities (excluding intercompany liabilities), to which the new notes and the guarantees would have been structurally subordinated. The value of these assets does not include the value of our internally developed intellectual property, including the Revlon brand.</p>
Security	As with the old notes and the related guarantees, the new notes and the guarantees will be secured, subject to certain exceptions and permitted liens, by second-priority liens on the Term Loan Collateral (as defined herein) and by third-priority liens on the Multi-Currency Collateral (as defined herein). See "Description of the New Notes - Security for the New Notes."
Ranking	<p>As with the old notes, the new notes will:</p> <ul style="list-style-type: none"> be our senior obligations; rank senior in right of payment to any of our future subordinated obligations;

be pari passu in right of payment with all of our existing and future senior indebtedness;

be secured, together with the Multi-Currency Secured Obligations (as defined herein) (on an equal and ratable basis), by a second-priority lien on the Term Loan Collateral, subject to a first-priority lien securing the Term Loan Secured Obligations (as defined herein) and other permitted liens, and therefore will be effectively subordinated to the Term Loan Secured Obligations and any other obligations secured by first-priority permitted liens on the Term Loan

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Collateral (which could include indebtedness that refinances the Multi-Currency Secured Obligations) to the extent that the value of the Term Loan Collateral does not exceed the aggregate amount of such obligations;

be secured by a third-priority lien on the Multi-Currency Collateral, subject to a first-priority lien securing the Multi-Currency Secured Obligations and a second-priority lien securing the Term Loan Secured Obligations and other permitted liens, and therefore will be effectively subordinated to the Multi-Currency Secured Obligations, the Term Loan Secured Obligations and any other obligations secured by first-priority or second-priority permitted liens on the Multi-Currency Collateral to the extent that the value of the Multi-Currency Collateral does not exceed the aggregate amount of such obligations;

be fully and unconditionally guaranteed by the subsidiary guarantors on a senior secured basis;

be fully and unconditionally guaranteed by Revlon, our parent company, on a senior basis, secured by a pledge of the Term Loan Collateral consisting of our capital stock; and

be effectively subordinated to any indebtedness or other liabilities, including trade payables, of our non-guarantor subsidiaries.

As with the old notes and the related guarantees, each guarantee of the new notes by a guarantor will:

be a senior obligation of each guarantor;

rank senior in right of payment to any future subordinated obligations of such guarantor;

be pari passu in right of payment with all existing and future senior indebtedness of such guarantor;

in the case of subsidiary guarantees and the guarantee of the new notes by Revlon, be secured, together with the Multi-Currency Secured Obligations (on an equal and ratable basis), by a second-priority lien on the Term Loan Collateral, subject to a first-priority lien securing the Term Loan Secured Obligations and other permitted liens, and therefore will be effectively subordinated to the Term Loan Secured Obligations and any other obligations secured by first-priority permitted liens on the Term Loan Collateral (which could include indebtedness that refinances the Multi-Currency Secured Obligations) to the extent that the value of the Term Loan Collateral does not exceed the aggregate amount of such obligations; and

in the case of subsidiary guarantees, be secured by a third-priority lien on the Multi-Currency Collateral of such Subsidiary Guarantor, subject to a first-priority lien securing the Multi-Currency Secured Obligations and a second-priority lien securing the Term Loan Secured Obligations and other Permitted Liens and therefore will be effectively subordinated to the Multi-Currency Secured Obligations, the Term Loan Secured Obligations and any other obligations secured by first-priority or second-priority permitted liens on the

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Multi-Currency Collateral to the extent that the value of the Multi-Currency Collateral does not exceed the aggregate amount of such obligations.

Optional Redemption

On or after November 15, 2012, we will have the right to redeem all or some of the new notes at the redemption prices described in this prospectus, plus accrued and unpaid interest, if any, to the applicable date of redemption.

At any time prior to November 15, 2012, we may on any one or more occasions redeem some or all of the new notes, at a redemption price equal to 100% of the principal amount of the new notes redeemed plus the applicable premium, plus accrued and unpaid interest, if any, on the new notes redeemed, to the applicable date of redemption.

In addition, prior to November 15, 2012, we may redeem from time to time up to 35% of the aggregate principal amount of the new notes at a redemption price equal to 109.750%, plus accrued and unpaid interest, if any, with the proceeds of certain equity offerings. See Description of the New Notes Optional Redemption.

Change of Control Offer

If a change of control occurs, the holders of the new notes will have the right to require us to purchase their new notes, in whole or in part, at a repurchase price of 101% of the principal amount, plus accrued and unpaid interest, if any. See Description of the New Notes Change of Control.

Certain Covenants

The indenture governing the new notes contains covenants that, among other things, with certain exceptions, limit:

our ability to issue additional debt and redeemable stock;

our ability and the ability of our subsidiaries to incur certain liens;

the ability of our subsidiaries to issue debt and preferred stock;

our ability and the ability of our subsidiaries to pay dividends on capital stock and our ability to redeem capital stock;

our ability and the ability of our subsidiaries to make investments;

the sale of our assets and subsidiary stock;

our ability and the ability of our subsidiaries to enter into transactions with affiliates; and

consolidations, mergers and transfers of all or substantially all of our assets.

The indenture also prohibits certain restrictions on distributions from subsidiaries.

These covenants are subject to important exceptions and qualifications, which are described in the Description of the New Notes section of this prospectus.

Trading

The new notes generally will be freely tradable but will also be a new issue of securities for which there is currently no established trading market. An active or liquid market may not develop for the new notes or, if developed, be maintained. We have not applied, and do not intend

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to apply, for the listing of the new notes on any exchange or automated dealer quotation system.

Risk Factors

See Part I, Item 1A, Risk Factors, and Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, in the Annual Reports on Form 10-K of Products Corporation and of Revlon for the year ended December 31, 2009, each of which is incorporated by reference in this prospectus. See Incorporation of Certain Documents by Reference.

For a discussion of significant risk factors applicable to the new notes and the exchange offer, see Risk Factors beginning on page 22 of this prospectus. You should carefully consider the information under Risk Factors and all other information in this prospectus and in the documents incorporated herein by reference before tendering any old notes and participating in the exchange offer.

Table of Contents**SUMMARY HISTORICAL CONSOLIDATED FINANCIAL DATA OF PRODUCTS CORPORATION**

The summary historical and other financial data as of December 31, 2005, 2006, 2007, 2008 and 2009 and for each of the years in the five-year period ended December 31, 2009 and the balance sheet data as of December 31, 2005, 2006, 2007, 2008 and 2009 are derived from Products Corporation's consolidated financial statements, which have been audited by an independent registered public accounting firm. The summary historical and other financial data for the three-month period ended March 31, 2009 and 2010 and the balance sheet data as of March 31, 2010 are derived from Products Corporation's unaudited consolidated financial statements. Results from the three months ended March 31, 2010 are not necessarily indicative of the results that may be expected for the full year 2010. The summary historical and other financial data should be read in conjunction with Products Corporation's consolidated financial statements and the related notes to those consolidated financial statements and Management's Discussion and Analysis of Financial Condition and Results of Operations in the Annual Report on Form 10-K of Products Corporation for the year ended December 31, 2009 and in the Quarterly Report on Form 10-Q of Products Corporation for the three months ended March 31, 2010. See Incorporation of Certain Documents by Reference.

	2005(a)	Year Ended December 31,				Three Months	
		2006(b)	2007(c)	2008(d)	2009(e)	Ended March 31,	2009(f) 2010(g)
		(In millions, except per share amounts)					
		(Unaudited)					
Net sales	\$ 1,303.5	\$ 1,298.7	\$ 1,367.1	\$ 1,346.8	\$ 1,295.9	\$ 303.3	\$ 305.5
Gross profit	810.5	771.0	861.4	855.9	821.2	192.3	196.8
Selling, general and administrative expenses	738.7	789.0	728.7	701.6	619.6	158.5	149.7
Restructuring costs and other, net	1.5	27.4	7.3	(8.4)	21.3	0.5	
Operating income (loss)	70.3	(45.4)	125.4	162.7	180.3	33.3	47.1
Interest expense	129.5	147.7	135.6	119.7	93.0	24.1	22.9
Amortization of debt issuance costs	6.9	7.5	3.3	5.6	5.5	1.4	1.4
Loss (gain) on early extinguishment of debt, net	9.0(h)	23.5	0.1	0.7	5.8	(7.0)	9.7
Foreign currency losses (gains), net	0.5	(1.5)	(6.8)	0.1	8.9	2.4	3.8
(Loss) income from continuing operations	(79.4)	(245.3)	(11.9)	21.0	58.5	14.5	4.2
Income from discontinued operations	1.6	0.8	2.9	44.8	0.3		
Net (loss) income	(77.8)	(244.5)	(9.0)	65.8	58.8	14.5	4.2

Three Months

Year Ended December 31,

	2005(a)	2006(b)	2007(c)	2008(d)	2009(e)	Ended March 31, 2010(g) (Unaudited)
	(In millions)					
Balance Sheet Data:						
Total current assets	\$ 596.7	\$ 500.1	\$ 496.4	\$ 457.4	\$ 446.3	\$ 418.5
Total non-current assets	451.7	443.9	413.3	384.9	384.2	388.5
Total assets	\$ 1,048.4	\$ 944.0	\$ 909.7	\$ 842.3	\$ 830.5	\$ 807.0
Total current liabilities	\$ 470.5	\$ 377.1	\$ 348.7	\$ 322.9	\$ 305.2	\$ 303.7
Total non-current liabilities	1,669.1	1,784.5	1,622.6	1,602.8	1,519.1	1,486.3
Total liabilities	\$ 2,139.6	\$ 2,161.6	\$ 1,971.3	\$ 1,925.7	\$ 1,824.3	\$ 1,790.0
Total indebtedness	\$ 1,418.4	\$ 1,506.9	\$ 1,440.6	\$ 1,329.6	\$ 1,248.7	\$ 1,232.2
Total stockholder's deficiency	(1,091.2)	(1,217.6)	(1,061.6)	(1,083.4)	(993.8)	(983.0)

	Year Ended December 31,					Three Months Ended March 31,	
	2005(a)	2006(b)	2007(c)	2008(d)	2009(e)	2009	2010
Ratio of earnings to fixed charges	0.5	(i)	1.0	1.3	1.6	1.5	1.4

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- (a) Results for 2005 include expenses of approximately \$44 million in incremental returns and allowances and approximately \$7 million in accelerated amortization cost of certain permanent displays related to the launch of **Vital Radiance** and the re-stage of the **Almay** brand.
- (b) Results for 2006 include charges of \$9.4 million in connection with the departure of Mr. Jack Stahl, our former President and Chief Executive Officer, in September 2006 (including \$6.2 million for severance and related costs and \$3.2 million for the accelerated amortization of Mr. Stahl's unvested options and unvested restricted stock), \$60.4 million in connection with the discontinuance of the **Vital Radiance** brand and restructuring charges of approximately \$27.6 million in connection with the restructurings announced in 2006 (the 2006 Programs).
- (c) Results for 2007 include restructuring charges of approximately \$4.4 million and \$2.9 million in connection with the 2006 Programs and the restructurings announced in 2007 (the 2007 Programs), respectively. The \$4.4 million of restructuring charges associated with the 2006 Programs were primarily for employee severance and other employee-related termination costs principally relating to a broad organizational streamlining. The \$2.9 million of restructuring charges associated with the 2007 Programs were primarily for employee severance and other employee-related termination costs relating principally to the closure of our facility in Irvington, New Jersey and other employee-related termination costs relating to personnel reductions in our information management function and our sales force in Canada.
- (d) Results for 2008 include a \$5.9 million gain from the sale of a non-core trademark during the first quarter of 2008, and a net \$4.3 million gain related to the sale of the Mexico facility (which is comprised of a \$7.0 million gain on the sale, partially offset by related restructuring charges of \$1.1 million, \$1.2 million of SG&A and cost of sales and \$0.4 million of taxes). In addition, results for 2008 also include various other restructuring charges of approximately \$3.8 million. The results of discontinued operations for 2008 included a one-time gain from the disposition of the non-core Bozzano business and certain other non-core brands, including Juvena and Aquamarine, which were sold in the Brazilian market, of \$45.2 million.
- (e) Results for 2009 include: (1) a \$20.8 million charge related to the worldwide organizational restructuring announced in May 2009 (the May 2009 Program), which involved consolidating certain functions; reducing layers of management, where appropriate, to increase accountability and effectiveness; streamlining support functions to reflect the new organizational structure; and further consolidating our office facilities in New Jersey; and (2) a \$5.8 million net loss on early extinguishment of debt in 2009 primarily due to a \$13.5 million loss resulting from applicable redemption and tender premiums and the net write-off of unamortized debt discounts and deferred financing fees in connection with the refinancing of the 9 1/2% Senior Notes in November 2009, partially offset by a \$7.7 million gain on repurchases of an aggregate principal amount of \$49.5 million of the 9 1/2% Senior Notes prior to their complete refinancing in November 2009 at an aggregate purchase price of \$41.0 million, which is net of the write-off of the ratable portion of unamortized debt discounts and deferred financing fees resulting from such repurchases.
- (f) Results for the three months ended March 31, 2009 include a \$7.0 million gain on the repurchase of an aggregate principal amount of \$23.9 million of the 9 1/2% Senior Notes prior to their complete refinancing in November 2009 at an aggregate purchase price of \$16.5 million, which is net of the write-off of the ratable portion of unamortized debt discount and deferred financing fees resulting from such repurchase.
- (g) Results for the three months ended March 31, 2010 include a \$9.7 million loss on the extinguishment of debt as a result of the refinancing of the 2006 Bank Credit Facilities in March 2010, primarily due to \$5.9 million of fees and expenses which were expensed as incurred in connection with such refinancing, as well as the write-off of

\$3.8 million of unamortized deferred financing fees in connection with such refinancing.

- (h) The loss on early extinguishment of debt for 2005 includes: (i) a \$5.0 million prepayment fee related to the prepayment in March 2005 of \$100.0 million of indebtedness outstanding under the 2004 term loan facility of the 2004 credit agreement with a portion of the proceeds from the issuance of Products Corporation's 9 1/2% Senior Notes (which notes were fully refinanced in November 2009); and (ii) the aggregate \$1.5 million loss on the redemption of all of Products Corporation's 8 1/8% Senior Notes and 9% Senior Notes in April 2005, as well as the write-off of the portion of deferred financing costs related to such prepaid amount.
- (i) For the year ended December 31, 2006, earnings were insufficient to cover fixed charges, therefore the ratio of earnings to fixed charges is not a relevant measure for this period.

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SUMMARY UNAUDITED PRO FORMA FINANCIAL DATA OF PRODUCTS CORPORATION

The Summary Pro Forma Data gives pro forma effect as described below to the following transactions:

in connection with consummating the 2009 Equity Exchange Offer, the amendment of the terms of the Senior Subordinated Term Loan Agreement to extend the maturity date on the \$48.6 million Contributed Loan from August 2010 to October 8, 2013, to change the annual interest rate on the Contributed Loan from 11% to 12.75%, to extend the maturity date on the \$58.4 million principal amount of the Non-Contributed Loan from August 2010 to October 8, 2014 and to change the annual interest rate on the Non-Contributed Loan from 11% to 12% (such transactions are referred to as the 2009 Equity Exchange Offer Transactions);

the repurchases from January through October 2009 of an aggregate principal amount of \$49.5 million of the 91/2% Senior Notes for \$41.0 million of cash (prior to their complete refinancing in November 2009). As a result of these repurchases, we recorded a gain of \$7.7 million, which is net of the write off of the ratable portion of unamortized debt discount and deferred financing fees (such transactions are referred to as the 2009 Repurchase Transactions); and

the offering of the old notes and the related refinancing and repayment of our existing 91/2% Senior Notes (the November 2009 Transactions and, together with the 2009 Equity Exchange Offer Transactions and the 2009 Repurchase Transactions, the 2009 Financing Transactions). As a result of the November 2009 Transactions we recorded a \$13.5 million loss on the early extinguishment of debt.

The Pro Forma Statement of Operations Data for the year ended December 31, 2009 shows the pro forma effect of the 2009 Financing Transactions as if such transactions had been consummated on January 1, 2009.

The Statement of Operations for the three months ended March 31, 2010 include the 2009 Financing Transactions, therefore there are no pro forma adjustments for such period.

The Pro Forma Statement of Operations Data for the year ended December 31, 2009 does not include adjustments for the pro forma effect of the refinancing of our 2006 Bank Credit Facilities, as such refinancing occurred in March 2010. See Refinancing of our 2006 Bank Credit Facilities beginning on page 3. If the Pro Forma Statement of Operations Data for the year ended December 31, 2009 included adjustments for the pro forma effect of the refinancing of our 2006 Bank Credit Facilities, the refinancing of our 2006 Bank Credit Facilities would have increased interest expense due to higher weighted average borrowing rates. In addition, if the Pro Forma Statement of Operations Data had been prepared for the three months ended March 31, 2010 and included adjustments for the pro forma effect of the refinancing of our 2006 Bank Credit Facilities, the refinancing of our 2006 Bank Credit Facilities would have increased interest expense due to higher weighted average borrowing rates and the loss on the early extinguishment of debt due to the refinancing of our 2006 Bank Credit Facilities would have been reversed.

The 2009 Financing Transactions and the refinancing of our 2006 Bank Credit Facilities have been fully reflected on the Balance Sheet at March 31, 2010 and, therefore, did not have a pro forma impact on such Balance Sheet.

The adjustments reflected in the unaudited pro forma condensed financial statements are based upon available information and certain estimates and assumptions. Actual results may differ from the pro forma adjustments and from the estimates and assumptions used. We believe that the estimates and assumptions used provide a reasonable basis for presenting the effects of the 2009 Financing Transactions. We also believe that the pro forma adjustments give appropriate effect to these estimates and assumptions and are applied in conformity with U.S. generally accepted accounting principles.

The pro forma adjustments made in connection with the development of the pro forma information do not purport to be indicative of our results of continuing operations or our financial position that actually would have occurred had such transactions been consummated on the aforementioned dates. The pro forma financial data is not intended to indicate the results that may be expected for any future period.

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The pro forma financial data should be read in conjunction with our consolidated financial statements and the notes to those financial statements included in the documents incorporated by reference in this prospectus. See Incorporation of Certain Documents by Reference.

PRO FORMA INCOME STATEMENT

	Year Ended December 31, 2009		
	As	Adjustments	Pro Forma 2009
	Reported	Related	Financing
		to the 2009	Financing
		Transactions(a)	Transactions
		(Dollars in millions)	(Unaudited)
Net sales	\$ 1,295.9	\$	\$ 1,295.9
Cost of sales	474.7		474.7
Gross profit	821.2		821.2
Selling, general and administrative	619.6		619.6
Restructuring costs and other, net	21.3		21.3
Operating (loss) income	180.3		180.3
Other expenses (income):			
Interest expense	93.0	(1.9)	91.1
Interest income	(0.5)		(0.5)
Amortization of debt issuance costs	5.5	(0.3)	5.2
Loss on early extinguishment of debt, net	5.8	(5.8)	
Foreign currency losses, net	8.9		8.9
Miscellaneous, net	1.0		1.0
Other expenses, net	113.7	(8.0)	105.7
Income before taxes	66.6	8.0	74.6
Provision from income taxes	(8.1)	(0.1)	(8.2)
Income from continuing operations	\$ 58.5	\$ 7.9	\$ 66.4
Ratio of earnings to fixed charges(b)	1.6		1.7

(a) Reflects the pro forma effect of the 2009 Financing Transactions. The adjustments primarily include:

the reversal of the \$5.8 million net loss on early extinguishment of debt, which is comprised of a \$13.5 million loss resulting from applicable redemption and tender premiums and the net write-off of unamortized debt

discounts and deferred financing fees in connection with the November 2009 Transactions, partially offset by a \$7.7 million gain on repurchases resulting from the 2009 Repurchase Transactions;

a \$1.9 million net decrease in interest expense, primarily due to a \$3.0 million net decrease in interest expense related to the 2009 Repurchase Transactions and the November 2009 Transactions, partially offset by a \$1.1 million net increase in interest expense related to the 2009 Equity Exchange Offer Transactions; and

a \$0.3 million net decrease in amortization of debt issuance costs, primarily driven by a \$1.0 million decrease in the amortization of debt issuance costs related to the extended term over which deferred financing costs related to the Senior Subordinated Term Loan will be amortized as a result of the 2009 Equity Exchange Offer Transactions, partially offset by \$0.7 million of amortization of new debt issuance costs resulting from the issuance of the \$330.0 million in aggregate principal face amount of the old notes.

- (b) Earnings used in computing the ratio of earnings to fixed charges consist of income (loss) from continuing operations before income taxes plus fixed charges. Fixed charges consist of interest expense (including amortization of debt issuance costs, but not losses relating to the loss on early extinguishment of debt, net) and 33% of rental expense (considered to be representative of the interest factor). Earnings exceeded fixed charges by \$66.6 million and \$74.6 million as reported and on a pro forma basis, respectively, for the year ended December 31, 2009.

Table of Contents**SUMMARY HISTORICAL CONSOLIDATED FINANCIAL DATA OF REVLON**

The summary historical and other financial data as of December 31, 2005, 2006, 2007, 2008, and 2009 and for each of the years in the five-year period ended December 31, 2009 and the balance sheet data as of December 31, 2005, 2006, 2007, 2008 and 2009 are derived from Revlon's consolidated financial statements, which have been audited by an independent registered public accounting firm. The summary historical and other financial data for the three-month period ended March 31, 2009 and 2010 and the balance sheet data as of March 31, 2010 are derived from Revlon's unaudited consolidated financial statements. Results from the three months ended March 31, 2010 are not necessarily indicative of the results that may be expected for the full year 2010. The summary historical and other financial data should be read in conjunction with Revlon's consolidated financial statements and the related notes to those consolidated financial statements and Management's Discussion and Analysis of Financial Condition and Results of Operations in the Annual Report on Form 10-K of Revlon for the year ended December 31, 2009 and in the Quarterly Report on Form 10-Q of Revlon for the three months ended March 31, 2010. See Incorporation of Certain Documents by Reference.

	Year Ended December 31,					Three Months Ended March 31,	
	2005(a)	2006(b)	2007(c)	2008(d)	2009(e)	2009(f)	2010(g)
	(In millions, except per share amounts)						
	(Unaudited)						
Net sales	\$ 1,303.5	\$ 1,298.7	\$ 1,367.1	\$ 1,346.8	\$ 1,295.9	\$ 303.3	\$ 305.5
Gross profit	810.5	771.0	861.4	855.9	821.2	192.3	196.8
Selling, general and administrative expenses	746.3	795.6	735.7	709.3	629.1	160.2	151.4
Restructuring costs and other, net	1.5	27.4	7.3	(8.4)	21.3	0.5	
Operating income (loss)	62.7	(52.0)	118.4	155.0	170.8	31.6	45.4
Interest expense	129.5	147.7	135.6	119.7	93.0	24.1	21.3
Interest expense preferred stock dividends							1.6
Amortization of debt issuance costs	6.9	7.5	3.3	5.6	5.8	1.4	1.7
Loss (gain) on early extinguishment of debt, net	9.0(h)	23.5	0.1	0.7	5.8	(7.0)	9.7
Foreign currency losses (gains), net	0.5	(1.5)	(6.8)	0.1	8.9	2.4	3.8
(Loss) income from continuing operations	(85.3)	(252.1)	(19.0)	13.1	48.5	12.7	2.2
Income from discontinued operations	1.6	0.8	2.9	44.8	0.3		
Net (loss) income	(83.7)	(251.3)	(16.1)	57.9	48.8	12.7	2.2
Basic (loss) income per common share:							
Continuing operations	(2.21)	(6.04)	(0.38)	0.26	0.94	0.25	0.04
Discontinued operations	0.04	0.02	0.06	0.87	0.01		
Net (loss) income	\$ (2.17)	\$ (6.03)	\$ (0.32)	\$ 1.13	\$ 0.95	\$ 0.25	\$ 0.04

Diluted (loss) income per common share:							
Continuing operations	(2.21)	(6.04)	(0.38)	0.26	0.94	0.25	0.04
Discontinued operations	0.04	0.02	0.06	0.87	0.01		
Net (loss) income	\$ (2.17)	\$ (6.03)	\$ (0.32)	\$ 1.13	\$ 0.94	\$ 0.25	\$ 0.04
Weighted average number of common shares outstanding (in millions):							
Basic	38.6	41.7	50.4	51.2	51.6	51.5	51.9
Diluted	38.6	41.7	50.4	51.3	51.7	51.5	52.3

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	Year Ended December 31,					Three Months Ended March 31,	
	2005(a)	2006(b)	2007(c)	2008(d)	2009(e)	2010(g)	
				(In millions)		(Unaudited)	
Balance Sheet Data:							
Total current assets	\$ 592.0	\$ 488.0	\$ 476.0	\$ 428.5	\$ 403.6	\$ 371.2	
Total non-current assets	451.7	443.9	413.3	384.9	390.6	394.6	
Total assets	\$ 1,043.7	\$ 931.9	\$ 889.3	\$ 813.4	\$ 794.2	\$ 765.8	
Total current liabilities	\$ 470.5	\$ 377.2	\$ 348.7	\$ 323.4	\$ 309.3	\$ 307.3	
Redeemable preferred stock					48.0	48.0	
Total non-current liabilities	1,669.1	1,784.5	1,622.6	1,602.8	1,470.5	\$ 1,437.7	
Total liabilities	\$ 2,139.6	\$ 2,161.7	\$ 1,971.3	\$ 1,926.2	\$ 1,827.8	\$ 1,793.0	
Total indebtedness	\$ 1,418.4	\$ 1,506.9	\$ 1,440.6	\$ 1,329.6	\$ 1,248.1	\$ 1,231.6	
Total stockholders deficiency	(1,095.9)	(1,229.8)	(1,082.0)	(1,112.8)	(1,033.6)	(1,027.2)	

	Year Ended December 31,					Three Months Ended March 31,	
	2005(a)	2006(b)	2007(c)	2008(d)	2009(e)	2009	2010
Ratio of earnings to fixed charges	0.5	(i)	0.9	1.2	1.5	1.4	1.3

- (a) Results for 2005 include expenses of approximately \$44 million in incremental returns and allowances and approximately \$7 million in accelerated amortization cost of certain permanent displays related to the launch of **Vital Radiance** and the re-stage of the **Almay** brand.
- (b) Results for 2006 include charges of \$9.4 million in connection with the departure of Mr. Jack Stahl, our former President and Chief Executive Officer, in September 2006 (including \$6.2 million for severance and related costs and \$3.2 million for the accelerated amortization of Mr. Stahl's unvested options and unvested restricted stock), \$60.4 million in connection with the discontinuance of the **Vital Radiance** brand and restructuring charges of approximately \$27.6 million in connection with the 2006 Programs.
- (c) Results for 2007 include restructuring charges of approximately \$4.4 million and \$2.9 million in connection with 2006 Programs and 2007 Programs, respectively. The \$4.4 million of restructuring charges associated with the 2006 Programs were primarily for employee severance and other employee-related termination costs principally

relating to a broad organizational streamlining. The \$2.9 million of restructuring charges associated with the 2007 Programs were primarily for employee severance and other employee-related termination costs relating principally to the closure of the our facility in Irvington, New Jersey and other employee-related termination costs relating to personnel reductions in the our information management function and our sales force in Canada.

- (d) Results for 2008 include a \$5.9 million gain from the sale of a non-core trademark during the first quarter of 2008, and a net \$4.3 million gain related to the sale of the Mexico facility (which is comprised of a \$7.0 million gain on the sale, partially offset by related restructuring charges of \$1.1 million, \$1.2 million of SG&A and cost of sales and \$0.4 million of taxes). In addition, results for 2008 also include various other restructuring charges of approximately \$3.8 million. The results of discontinued operations for 2008 included a one-time gain from the disposition of the non-core Bozzano business and certain other non-core brands, including Juvena and Aquamarine, which were sold in the Brazilian market, of \$45.2 million.
- (e) Results for 2009 include: (1) a \$20.8 million charge related to the May 2009 Program, which involved consolidating certain functions; reducing layers of management, where appropriate, to increase accountability and effectiveness; streamlining support functions to reflect the new organizational structure; and further consolidating our office facilities in New Jersey; and (2) a \$5.8 million net loss on early extinguishment of debt in 2009 primarily due to a \$13.5 million loss resulting from applicable redemption and tender premiums and the net write-off of unamortized debt discounts and deferred financing fees in connection with the refinancing of the 9 1/2% Senior Notes in November 2009, partially offset by a \$7.7 million gain on repurchases of an aggregate principal amount of \$49.5 million of the 9 1/2% Senior Notes prior to their complete refinancing in

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November 2009 at an aggregate purchase price of \$41.0 million, which is net of the write-off of the ratable portion of unamortized debt discounts and deferred financing fees resulting from such repurchases.

- (f) Results for the three months ended March 31, 2009 include a \$7.0 million gain on the repurchase of an aggregate principal amount of \$23.9 million of the 9 1/2% Senior Notes prior to their complete refinancing in November 2009 at an aggregate purchase price of \$16.5 million, which is net of the write-off of the ratable portion of unamortized debt discount and deferred financing fees resulting from such repurchase.
- (g) Results for the three months ended March 31, 2010 include a \$9.7 million loss on the extinguishment of debt as a result of the refinancing of the 2006 Bank Credit Facilities in March 2010, primarily due to \$5.9 million of fees and expenses which were expensed as incurred in connection with such refinancing, as well as the write-off of \$3.8 million of unamortized deferred financing fees in connection with such refinancing.
- (h) The loss on early extinguishment of debt for 2005 includes: (i) a \$5.0 million prepayment fee related to the prepayment in March 2005 of \$100.0 million of indebtedness outstanding under the 2004 term loan facility of the 2004 credit agreement with a portion of the proceeds from the issuance of Products Corporation's 9 1/2% Senior Notes (which notes were fully refinanced in November 2009); and (ii) the aggregate \$1.5 million loss on the redemption of all of Products Corporation's 8 1/8% Senior Notes and 9% Senior Notes in April 2005, as well as the write-off of the portion of deferred financing costs related to such prepaid amount.
- (i) For the year ended December 31, 2006, earnings were insufficient to cover fixed charges, therefore the ratio of earnings to fixed charges is not a relevant measure for this period.

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RISK FACTORS

Before deciding to tender your old notes and participate in the exchange offer, you should carefully consider the risks described below and in Part I, Item 1A, Risk Factors, and Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, in the Annual Report on Form 10-Ks of Products Corporation and of Revlon for the year ended December 31, 2009, each of which is incorporated by reference in this prospectus, as well as all of the information contained elsewhere in this prospectus and in the documents incorporated by reference herein. Additional risks and uncertainties not presently known to us, or that we currently deem immaterial, may also impair our business operations and financial condition. We cannot assure you that any of the events discussed in the risk factors below and contained elsewhere in this prospectus and in the documents incorporated herein will not occur. If they do, our business, financial condition and/or results of operations could be materially adversely affected. In such case, the trading price of the new notes could decline, and you might lose all or part of your investment.

Risks Relating to the Exchange Offer and Holding the Notes

Holders who fail to exchange their old notes will continue to be subject to restrictions on transfer.

If you do not exchange your old notes for new notes in the exchange offer, you will continue to be subject to the restrictions on transfer of your old notes described in the legend on the certificates for your old notes. The restrictions on transfer of your old notes arise because we issued the old notes under exemptions from, or in transactions not subject to, the registration requirements of the Securities Act and applicable state securities laws. In general, you may only offer or sell the old notes if they are registered under the Securities Act and applicable state securities laws, or offered and sold under an exemption from these requirements. We do not plan to register the old notes under the Securities Act. In addition, if a large number of old notes are exchanged for new notes and there is only small amount of old notes outstanding, there may not be an active market in the old notes, which may adversely affect the market price and liquidity of the old notes. For further information regarding the consequences of tendering your old notes in the exchange offer, see the discussions below under the captions The Exchange Offer Consequences of Exchanging or Failing to Exchange Old Notes and Certain Material U.S. Federal Income Tax Considerations.

You must comply with the exchange offer procedures in order to receive freely tradable new notes.

Delivery of new notes in exchange for old notes tendered and accepted for exchange pursuant to the exchange offer will be made only after timely receipt by the exchange agent of the following:

certificates for old notes or a book-entry confirmation of a book-entry transfer of old notes into the exchange agent's account at DTC, New York, New York as depository, including an agent's message (as defined herein) if the tendering holder does not deliver a letter of transmittal;

a completed and signed letter of transmittal (or facsimile thereof), with any required signature guarantees, or an agent's message in lieu of the letter of transmittal; and

any other documents required by the letter of transmittal.

Therefore, holders of old notes who would like to tender old notes in exchange for new notes should be sure to allow enough time for the old notes to be delivered on time. We are not required to notify you of defects or irregularities in tenders of old notes for exchange. Old notes that are not tendered or that are tendered but we do not accept for

exchange will, following consummation of the exchange offer, continue to be subject to the existing transfer restrictions under the Securities Act and, upon consummation of the exchange offer, certain registration and other rights under the registration rights agreement will terminate. See [The Exchange Offer Procedures for Tendering Old Notes](#) and [The Exchange Offer Consequences of Exchanging or Failing to Exchange Old Notes](#).

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You may not be able to resell notes you receive in the exchange offer without registering those notes or delivering a prospectus.

Based on interpretations by the staff of the SEC in no-action letters, we believe, with respect to new notes issued in the exchange offer, that:

holders who are not our affiliates, within the meaning of Rule 405 of the Securities Act;

holders who acquire their notes in the ordinary course of business; and

holders who do not engage in, intend to engage in, or have arrangements to participate in a distribution (within the meaning of the Securities Act) of the new notes,

do not have to comply with the registration and prospectus delivery requirements of the Securities Act.

Holders described in the preceding sentence must tell us in writing at our request that they meet these criteria. Holders that do not meet these criteria could not rely on interpretations of the staff of the SEC in no-action letters, and would have to register the notes they receive in the exchange offer and deliver a prospectus for them. In addition, holders that are broker-dealers may be deemed underwriters within the meaning of the Securities Act in connection with any resale of notes acquired in the exchange offer. Holders that are broker-dealers must acknowledge that they acquired their outstanding notes in market-making activities or other trading activities and must deliver a prospectus when they resell the notes they acquire in the exchange offer in order not to be deemed an underwriter.

Our substantial indebtedness could adversely affect our operations and flexibility and our ability to service our debt, including the notes.

We have a substantial amount of outstanding indebtedness. As of March 31, 2010, our total indebtedness, net of discounts, was \$1,232.2 million, primarily including \$800.0 million aggregate principal amount, or \$786.1 million net of discounts, outstanding under our 2010 Bank Term Loan Facility, \$10.5 million outstanding under our 2010 Bank Revolving Credit Facility, \$330.0 million in aggregate principal face amount, or \$326.5 million net of discounts, outstanding of old notes and \$107.0 million aggregate principal amount outstanding under our Senior Subordinated Term Loan (which is comprised of \$58.4 million of indebtedness due to MacAndrews & Forbes under the Non-Contributed Loan and \$48.6 million of indebtedness due to Revlon under the Contributed Loan). Moreover, as of March 31, 2010, \$905.7 million of our total indebtedness have stated maturities prior to the maturity of the notes offered hereby. Our level of indebtedness could make it more difficult for us to make interest payments on, or to purchase or redeem, the notes. While we achieved net income of \$58.8 million (with \$58.5 million of income from continuing operations) and \$65.8 million (with \$21.0 million of income from continuing operations) for the years ended December 31, 2009 and 2008, respectively, we have a history of net losses prior to 2008 and, in addition, if we are unable to achieve sustained profitability and free cash flow in future periods, it could adversely affect our operations and our ability to service our debt, including the notes.

We are subject to the risks normally associated with substantial indebtedness, including the risk that our operating revenues will be insufficient to meet required payments of principal and interest, and the risk that we will be unable to refinance existing indebtedness when it becomes due or that the terms of any such refinancing will be less favorable than the current terms of such indebtedness. Our substantial indebtedness could also have the effect of:

limiting our ability to fund (including by obtaining additional financing) the costs and expenses of the execution of our business strategy, future working capital, capital expenditures, advertising, promotional or marketing expenses, new product development costs, purchases and reconfigurations of wall displays,

acquisitions, investments, restructuring programs and other general corporate requirements;

requiring us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the availability of our cash flow for the execution of our business strategy and for other general corporate purposes;

placing us at a competitive disadvantage compared to our competitors that have less debt;

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limiting our flexibility in responding to changes in our business and the industry in which we operate; and

making us more vulnerable in the event of adverse economic conditions or a downturn in our business.

Although agreements governing our indebtedness, including the indenture governing the notes, the 2010 Bank Credit Agreements and the Senior Subordinated Term Loan Agreement, limit our ability to borrow additional money, under certain circumstances we are allowed to borrow a significant amount of additional money, some of which, in certain circumstances and subject to certain limitations, could be secured indebtedness. In addition, under certain circumstances we are allowed to borrow a significant amount of additional money, which would either rank equally in right of payment with, or be subordinated in right of payment to, the notes and some of which, in certain circumstances and subject to certain limitations, could be secured on a priority basis ahead of or on a pari passu basis with the notes. See Description of the New Notes Certain Covenants. Subject to certain limitations contained in the indenture governing the notes, our non-guarantor subsidiaries may also incur additional debt that would be structurally senior to the notes. See The notes are structurally junior to the indebtedness and other liabilities of our non-guarantor subsidiaries. To the extent that more debt is added to our current debt levels, the risks described above may increase.

Our ability to pay the principal of the notes depends on many factors.

The Contributed Loan under the Senior Subordinated Term Loan matures in October 2013, the 2010 Bank Revolving Credit Agreement matures in March 2014, the Non-Contributed Loan under the Senior Subordinated Term Loan matures in October 2014, the 2010 Bank Term Loan Agreement matures in March 2015 and the notes mature in November 2015. We currently anticipate that, in order to pay the principal amount of the notes upon the occurrence of any event of default, or to repurchase our notes if a change of control occurs or in the event that our cash flows from operations are insufficient to allow us to pay the principal amount of the notes at maturity, we may be required to refinance our indebtedness, seek to sell assets or operations, seek to sell additional debt securities of ours or seek additional capital contributions or loans from MacAndrews & Forbes, Revlon or from our other affiliates and/or third parties. We may be unable to take any of these actions, because of a variety of commercial or market factors or constraints in our debt instruments, including, for example, market conditions being unfavorable for an equity or debt issuance, additional capital contributions or loans not being available from affiliates and/or third parties, or that the transactions may not be permitted under the terms of the various debt instruments then in effect, such as due to restrictions on the incurrence of debt, incurrence of liens, asset dispositions and/or related party transactions. Such actions, if ever taken, may not enable us to satisfy our cash requirements or enable us to comply with the financial covenants under the 2010 Bank Credit Agreements if the actions do not result in sufficient savings or generate a sufficient amount of additional capital, as the case may be.

None of our affiliates is required to make any capital contributions, loans or other payments to us regarding our obligations on the notes. We may not be able to pay the principal amount of the notes if we took any of the above actions because, under certain circumstances, the indenture governing the notes or any of our other debt instruments (including the 2010 Bank Credit Agreements and the Senior Subordinated Term Loan Agreement) or the debt instruments of our subsidiaries then in effect may not permit us to take such actions. See Restrictions and covenants in our debt agreements limit our ability to take certain actions and impose consequences in the event of failure to comply.

Additionally, the economic conditions during the latter part of 2008 and in 2009 and the volatility in the financial markets contributed to a substantial tightening of the credit markets and a reduction in credit availability, including lending by financial institutions. Although we were able to successfully refinance our 91/2% Senior Notes with the issuance of the old notes in November 2009 and our 2006 Bank Credit Facilities with the 2010 Bank Credit Facilities in March 2010, the future state of the credit markets could adversely impact our ability to refinance or replace our

outstanding indebtedness at or prior to their respective maturity dates, which would have a material adverse effect on our business, financial condition and/or results of operations.

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A substantial portion of the indebtedness under our 2010 Bank Credit Agreements is, and certain additional future indebtedness will be, effectively senior to the notes to the extent of the value of the Collateral securing those obligations.

As of March 31, 2010, we had outstanding secured indebtedness, net of discounts, of \$796.6 million, of which \$800.0 million, or \$786.1 million net of discounts, was outstanding under our 2010 Bank Term Loan Facility and \$10.5 million of which was outstanding under our 2010 Bank Revolving Credit Facility. As at March 31, 2010, we also had \$87.2 million in available borrowings under the 2010 Bank Revolving Credit Facility, based upon the last calculated borrowing base less \$21.8 million of outstanding undrawn letters of credit and \$10.5 million then drawn on the 2010 Bank Revolving Credit Facility.

Obligations under our 2010 Bank Term Loan Facility are secured by a first-priority lien and obligations under our 2010 Bank Revolving Credit Facility are secured by a second-priority lien on the Term Loan Collateral. The second-priority liens in the Term Loan Collateral securing the notes and the guarantees are therefore lower in priority than the liens securing our and the guarantors' obligations under the 2010 Bank Term Loan Facility and equal in priority to the liens securing our and the guarantors' obligations under the 2010 Bank Revolving Credit Agreement. In addition, under the indenture, we and the guarantors may, from time to time, be permitted to incur additional indebtedness, including indebtedness that refinances the 2010 Bank Revolving Credit Agreement, which may be secured by liens on the Term Loan Collateral that rank senior in priority to the liens securing the notes and the guarantees. As such, holders of the indebtedness under our 2010 Bank Term Loan Facility and any such other indebtedness will be entitled to realize proceeds from the realization of value of the Term Loan Collateral to repay such indebtedness in full before the holders of the notes and the guarantees will be entitled, together on a pari passu basis with the holders of the indebtedness under our 2010 Bank Revolving Credit Facility, to any recovery from such collateral. As a result, the notes and the guarantees are effectively junior in right of payment to indebtedness under the 2010 Bank Term Loan Facility and any such other indebtedness, to the extent that the realizable value of the Term Loan Collateral does not exceed the aggregate amount of such indebtedness.

Moreover, obligations under our 2010 Bank Term Loan Facility are secured by a second-priority lien and obligations under our 2010 Bank Revolving Credit Facility are secured by a first-priority lien on the Multi-Currency Collateral. The third-priority liens in the Multi-Currency Collateral securing the notes and the guarantees are therefore lower in priority than the liens securing our and the guarantors' obligations under the 2010 Bank Revolving Credit Agreement and the 2010 Bank Term Loan Facility. In addition, under the indenture, we and the guarantors may, from time to time, be permitted to incur additional indebtedness, which may be secured by liens on the Multi-Currency Collateral that rank senior in priority to the liens securing the notes and the guarantees. As such, holders of the indebtedness under our 2010 Bank Term Loan Facility and 2010 Bank Revolving Credit Facility and any such other indebtedness will be entitled to realize proceeds from the realization of value of the Multi-Currency Collateral to repay such indebtedness in full before the holders of the notes will be entitled to any recovery from such Multi-Currency Collateral. As a result, the notes are effectively junior in right of payment to indebtedness under the 2010 Bank Term Loan Facility and 2010 Bank Revolving Credit Facility and any such other indebtedness, to the extent that the realizable value of such Collateral (as defined herein) does not exceed the aggregate amount of such indebtedness. It is possible that the realizable value of the Collateral securing the notes and the guarantees may not be sufficient, in an insolvency or other similar proceeding, to satisfy the claims of all effectively senior creditors, along with those of the holders of the notes and the guarantees.

The notes are structurally junior to the indebtedness and other liabilities of our non-guarantor subsidiaries.

We conduct a significant portion of our operations through our non-guarantor subsidiaries and depend, in part, on earnings and cash flows of, and dividends from, our subsidiaries to pay our obligations, including principal of and interest on our indebtedness. Certain laws restrict the ability of our subsidiaries to pay us dividends or make loans and

advances to us. To the extent these restrictions are applied to our non-guarantor subsidiaries, we would not be able to use the earnings of those subsidiaries to make payments on the notes. Furthermore, in the event of any bankruptcy, liquidation or reorganization of a non-guarantor subsidiary, the rights of the holders of the notes offered hereby to participate in the distribution of the assets of such non-guarantor subsidiary will rank behind the claims of that subsidiary's creditors, including trade creditors (except to the extent we have a claim as a creditor of such

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subsidiary). As a result, the notes are structurally subordinated to the outstanding indebtedness, preferred stock, and other liabilities, including trade payables, of our non-guarantor subsidiaries. As of December 31, 2009, our non-guarantor subsidiaries had approximately \$141.9 million of outstanding indebtedness and other liabilities (excluding intercompany payables and receivables and subsidiary guarantees of our 2006 Bank Credit Agreements), all of which was structurally senior to the notes.

Restrictions and covenants in our debt agreements limit our ability to take certain actions and impose consequences in the event of failure to comply.

The indenture governing the notes and the agreements governing our other outstanding indebtedness, including the 2010 Bank Credit Agreements and the Senior Subordinated Term Loan Agreement, contain a number of significant restrictions and covenants that limit our ability and our subsidiaries' ability (subject in each case to limited exceptions) to, among other things:

borrow money;

use assets as security in other borrowings or transactions;

pay dividends on stock or purchase stock;

sell assets and use the proceeds from any such sales;

enter into certain transactions with affiliates;

make certain investments;

prepay, redeem or repurchase specified indebtedness; and

permit restrictions on the payment of dividends by us or our subsidiaries to us.

In addition, the 2010 Bank Credit Agreements contain financial covenants limiting our first lien senior secured debt-to-EBITDA ratio (in the case of the 2010 Bank Term Loan Agreement) and, under certain circumstances, requiring us to maintain a minimum consolidated fixed charge coverage ratio (in the case of the 2010 Bank Revolving Credit Agreement). These covenants affect our operating flexibility by, among other things, restricting our ability to incur expenses and indebtedness that could be used to fund the costs of executing our business strategy and to grow our business, as well as to fund general corporate purposes.

The breach of the 2010 Bank Credit Agreements would permit our lenders to accelerate amounts outstanding under the 2010 Bank Credit Agreements, which would in turn constitute an event of default under the Senior Subordinated Term Loan Agreement and the indenture governing the notes, if the amount accelerated exceeds \$25.0 million and such default remains uncured for 10 days following notice from MacAndrews & Forbes with respect to the Senior Subordinated Term Loan Agreement or the trustee or the holders of at least 30% of the outstanding principal amount of the notes. In addition, holders of our outstanding notes may require us to repurchase their respective notes in the event of a change of control under the notes indenture. (See Our ability to pay the principal of the notes depends on many factors.). We may not have sufficient funds at the time of any such breach of any such covenant or change of control to repay in full the borrowings under the 2010 Bank Credit Agreements or the Senior Subordinated Term Loan Agreement or to repurchase or redeem our outstanding notes.

Events beyond our control could impair our operating performance, which could affect our ability to comply with the terms of our debt instruments. Such events may include decreased consumer spending in response to weak economic conditions or weakness in the cosmetics category in the mass retail channel; adverse changes in currency exchange rates; decreased sales of our products as a result of increased competitive activities by our competitors; changes in consumer purchasing habits, including with respect to shopping channels; retailer inventory management; changes in retailer pricing or promotional strategies; retailer space reconfigurations or reductions in retailer display space; less than anticipated results from our existing or new products or from our advertising, promotional and/or marketing plans; or if our expenses, including, without limitation, for pension expense under our benefit plans, advertising, promotions and/or marketing activities or for sales returns related to any reduction of retail space, product discontinuances or otherwise, exceed the anticipated level of expenses.

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Under such circumstances, we may be unable to comply with the provisions of our debt instruments, including the financial covenants in the 2010 Bank Credit Agreements. If we are unable to satisfy such covenants or other provisions at any future time, we would need to seek an amendment or waiver of such financial covenants or other provisions. The respective lenders under the 2010 Bank Credit Agreements may not consent to any amendment or waiver requests that we may make in the future, and, if they do consent, they may not do so on terms which are favorable to us and/or Revlon.

In the event that we were unable to obtain any such waiver or amendment, our inability to meet the financial covenants or other provisions of the 2010 Bank Credit Agreements would constitute an event of default under the 2010 Bank Credit Agreements, which would permit the bank lenders to accelerate the 2010 Bank Credit Agreements, which in turn would constitute an event of default under the Senior Subordinated Term Loan Agreement and the indenture governing our outstanding notes, if the amount accelerated exceeds \$25.0 million and such default remains uncured for 10 days following notice from MacAndrews & Forbes with respect to the Senior Subordinated Term Loan Agreement or the trustee or the holders of at least 30% of the outstanding principal amount of the outstanding notes.

Our assets and/or cash flow and/or that of our subsidiaries may not be sufficient to fully repay borrowings under our outstanding debt instruments, either upon maturity or if accelerated upon an event of default, and if we were required to repurchase our outstanding notes or repay the Senior Subordinated Term Loan or repay the 2010 Bank Credit Agreements upon a change of control, we may be unable to refinance or restructure the payments on such debt. Further, if we were unable to repay, refinance or restructure our indebtedness under the 2010 Bank Credit Agreements and/or our notes, the lenders and the noteholders, as applicable, subject to certain conditions and limitations as set forth in the second amended and restated intercreditor agreement, could proceed against the collateral securing that indebtedness.

Limits on our borrowing capacity under the 2010 Bank Revolving Credit Facility may affect our ability to finance our operations.

While the 2010 Bank Revolving Credit Facility currently provides for up to \$140.0 million of commitments, our ability to borrow funds under this facility is limited by a borrowing base determined relative to the value, from time to time, of eligible accounts receivable and eligible inventory in the U.S. and the U.K. and eligible real property and equipment in the U.S.

If the value of these eligible assets is not sufficient to support the full \$140.0 million borrowing base, we will not have full access to the 2010 Bank Revolving Credit Facility, but rather could have access to a lesser amount determined by the borrowing base. As we continue to manage our working capital, this could reduce the borrowing base under the 2010 Bank Revolving Credit Facility. Further, if we borrow funds under this facility, subsequent changes in the value or eligibility of the assets within the borrowing base could cause us to be required to pay down the amounts outstanding so that there is no amount outstanding in excess of the then-existing borrowing base.

Our ability to make borrowings under the 2010 Bank Revolving Credit Facility is also conditioned upon our compliance with other covenants in the 2010 Bank Revolving Credit Agreement, including a fixed charge coverage ratio that applies when the excess borrowing base (representing the difference between (1) the borrowing base under the 2010 Bank Revolving Credit Facility and (2) the amounts outstanding under such facility) is less than \$20.0 million. Because of these limitations, we may not always be able to meet our cash requirements with funds borrowed under the 2010 Bank Revolving Credit Facility, which could have a material adverse effect on our business, financial condition and/or results of operations.

At March 31, 2010, the 2010 Bank Term Loan Facility was fully drawn, and we had a liquidity position (excluding cash in compensating balance accounts) of \$120.6 million, consisting of cash and cash equivalents (net of any

outstanding checks) of \$33.4 million, as well as \$87.2 million in available borrowings under the 2010 Bank Revolving Credit Facility, based upon the last calculated borrowing base less \$21.8 million of outstanding undrawn letters of credit and \$10.5 million then drawn on the 2010 Bank Revolving Credit Facility.

The 2010 Bank Revolving Credit Facility is syndicated to a group of banks and financial institutions. Each bank is responsible to lend its portion of the \$140.0 million commitment if and when we seek to draw under the 2010

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Bank Revolving Credit Facility. The lenders may assign their commitments to other banks and financial institutions in certain cases without prior notice to us. If a lender is unable to meet its lending commitment, then the other lenders under the 2010 Bank Revolving Credit Facility have the right, but not the obligation, to lend additional funds to make up for the defaulting lender's commitment, if any. While we have never had any of our lenders under the 2010 Bank Revolving Credit Facility or the 2006 Bank Revolving Credit Facility fail to fulfill their lending commitment, economic conditions in late 2008 and 2009 and the volatility in the financial markets during this time period have impacted the liquidity and financial condition of certain banks and financial institutions. Based on information available to us, we have no reason to believe that any of the lenders under our 2010 Bank Revolving Credit Facility would have been unable to fulfill their commitments under the 2010 Bank Revolving Credit Facility as of March 31, 2010. However, if one or more lenders under the 2010 Bank Revolving Credit Facility were unable to fulfill their commitment to lend, such inability would impact our liquidity and, depending upon the amount involved and our liquidity requirements, could have an adverse effect on our ability to fund our operations, which could have a material adverse effect on our business, financial condition and/or results of operations.

Your right to exercise remedies with respect to the Collateral is limited by the Intercreditor Agreement and the lenders under our 2010 Bank Credit Agreements are able to control such remedies.

The rights of the holders of the notes with respect to the Collateral are limited by the Intercreditor Agreement (as defined herein). To the extent that we have outstanding obligations under our 2010 Bank Credit Agreements or other senior or pari passu obligations secured by the Collateral, any actions that may be taken in respect of any of the Collateral, including the ability to cause the commencement of enforcement proceedings against the Collateral and to control the conduct of such proceedings, are limited and controlled and directed by the lenders under the 2010 Bank Credit Agreements or the holders of such other obligations. In those circumstances, the indenture trustee, on behalf of the holders of the notes, does not have the ability to control or direct such actions, even if an event of default under the indenture has occurred or if the rights of the holders of the notes are or may be adversely affected.

The collateral agent and the lenders under our 2010 Bank Credit Agreements and the holders of such other obligations are under no obligation to take into account the interests of holders of the notes and guarantees when determining whether and how to exercise their rights with respect to the Collateral, subject to the Intercreditor Agreement, and their interests and rights may be significantly different from or adverse to yours.

There are circumstances other than repayment or discharge of the notes under which the Collateral securing the notes and guarantees would be released automatically, without your consent or the consent of the indenture trustee.

Pursuant to the indenture, under various circumstances all or a portion of the Collateral securing the notes and guarantees would be released automatically without your consent or the consent of the indenture trustee, including:

in the absence of an event of default under the indenture at such time, upon the release of liens securing our 2010 Bank Credit Agreements in accordance with the terms of such agreements;

upon the sale, transfer or other disposition of such Collateral in a transaction not prohibited under the indenture; and

with respect to Collateral held by a guarantor, upon the release of such guarantor from its guarantee in accordance with the indenture.

See Description of the New Notes Security for the New Notes Release of Collateral.

The indenture also permits us to designate one or more of our subsidiaries as non-recourse subsidiaries, subject to certain conditions, including that such subsidiary has no debt other than debt that is non-recourse to us or our subsidiaries and that such subsidiary is in the same line of business as us or in an otherwise permitted business. If we designate a subsidiary as a non-recourse subsidiary, all of the liens on any Collateral owned by such non-recourse subsidiary or any of its subsidiaries and any guarantees of the notes by such non-recourse subsidiary or any of its subsidiaries will be automatically released under the indenture. Designation of one or more of our subsidiaries as a non-recourse subsidiary will therefore reduce the aggregate value of the Collateral securing the notes. See Description of the New Notes Security for the New Notes Release of Collateral.

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The imposition of certain permitted liens may cause the assets on which such liens are imposed to be excluded from the Collateral securing the notes and the guarantees. There are also certain other categories of property that are excluded from the Collateral.

The indenture permits us and the guarantors to grant certain permitted liens in favor of third parties and, in certain cases, any assets subject to such liens will be automatically excluded from the Collateral securing the notes and the guarantees to the extent inclusion in such Collateral would be prohibited by the documents relating to such permitted liens. See Description of the New Notes Security for the New Notes Release of Collateral.

Other categories of excluded assets and property include, among others, certain real property interests, assets of non-recourse subsidiaries and foreign subsidiaries, certain stock of foreign subsidiaries and the proceeds from any of the foregoing. See Description of the New Notes Security for the New Notes General. Excluded property is not available as Collateral to secure our obligations and the obligations of the guarantors under the notes. As a result, with respect to the excluded property, the notes and the guarantees effectively rank equally with any of our and the guarantors other senior indebtedness that is not itself secured by the excluded property. In addition, some of the excluded property currently secures our 2010 Bank Credit Agreements and may secure other additional indebtedness secured by liens that are pari passu with or higher priority than liens securing the notes and the guarantees. As a result, the lenders under our 2010 Bank Credit Agreements and such other indebtedness may be able to access such excluded property to satisfy their claims prior to accessing the collateral to satisfy the claims under the notes and the guarantees.

The pledge of the capital stock, other securities and similar items of our subsidiaries that secure the notes and the guarantees are automatically be excluded from the Collateral to the extent the pledge of such capital stock or such other securities would require the filing of separate financial statements with the SEC for that subsidiary.

The notes and the guarantees are secured by a pledge of our stock that is owned by Revlon and the capital stock, other securities and similar items of certain of our subsidiaries. Under Rule 3-16 of Regulation S-X (as in effect from time to time), if the par value, book value as carried by us or market value (whichever is greatest) of the capital stock, other securities or similar items of a subsidiary pledged as part of the Collateral is greater than or equal to 20% of the aggregate principal amount of the notes then outstanding, such a subsidiary would be required to provide separate financial statements to the SEC. Therefore, the indenture and the collateral documents provide that any capital stock and other securities of any of our subsidiaries are excluded from the Collateral to the extent that the pledge of such capital stock or other securities to secure the notes would cause such subsidiary to be required to file separate financial statements with the SEC in accordance with Rule 3-16 of Regulation S-X.

As a result, holders of the notes could lose a portion or all of their security interest in the capital stock or other securities of those subsidiaries. It may be more difficult, costly and time-consuming for holders of the notes to foreclose on the assets of a subsidiary than to foreclose on its capital stock or other securities (and holders of the notes would not have any ability to foreclose on any assets of any foreign subsidiary), so the proceeds realized upon any such foreclosure could be significantly less than those that would have been received upon any sale of the capital stock or other securities of such subsidiary. In addition, all of such capital stock and other securities will continue to secure our 2010 Bank Credit Agreements and may secure other additional secured indebtedness because Rule 3-16 of Regulation S-X does not apply to loans outstanding under bank loan agreements such as our 2010 Bank Credit Agreements. As a result, the lenders under our 2010 Bank Credit Agreements and such other indebtedness may be able to access such stock to satisfy their claims. See Description of the New Notes Certain Definitions Other Excluded Assets.

The value of the Collateral securing the notes may not be sufficient to satisfy our and the guarantors obligations under the notes and the guarantees.

No appraisal of the value of the Collateral has been made in connection with this exchange offer, and the fair market value of the Collateral is subject to fluctuations based on factors that include general economic conditions and similar factors. The amount to be received upon a sale of the Collateral would be dependent on numerous factors, including the actual fair market value of the Collateral at such time, the timing and the manner of the sale

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and the availability of buyers. By its nature, portions of the Collateral may be illiquid and may have no readily ascertainable market value. Accordingly, in the event of a foreclosure, liquidation, bankruptcy or similar proceeding, the Collateral may not be sold in a timely or orderly manner, and the proceeds from any sale or liquidation of the Collateral may not be sufficient to satisfy our and the guarantors' obligations under the notes and the guarantees.

To the extent that pre-existing liens, liens permitted under the indenture and other rights, including liens on excluded property (in addition to the holders of obligations secured by higher-priority liens), encumber any of the Collateral securing the notes and the guarantees, those parties have or may exercise rights and remedies with respect to the Collateral that could adversely affect the value of the Collateral and the ability of the collateral agent, the indenture trustee or the holders of the notes to realize or foreclose on the Collateral.

Your security interests in certain items of present and future Collateral may not be perfected. Even if your security interests in certain items of Collateral are perfected, it may not be practicable for you to enforce or economically benefit from your rights with respect to such security interests.

The security interests are not perfected with respect to certain items of Collateral that cannot be perfected by the filing of financing statements in each debtor's jurisdiction of organization, the filing of mortgages, the delivery of possession of certificated securities, the filing of a notice of security interest with the U.S. Patent and Trademark Office or the U.S. Copyright Office or certain other conventional methods to perfect security interests in the U.S. Security interests in Collateral such as deposit accounts and securities accounts, which require or benefit from additional special filings or other actions or the obtaining of additional consents, may not be perfected or may not have priority with respect to the security interests of other creditors. In addition, the Collateral for the notes and the guarantees are pledged pursuant to collateral documents governed by New York law and we do not have any obligation to perfect a security interest in any Collateral under the laws of any other jurisdiction to the extent that security interests securing indebtedness under our 2010 Bank Credit Agreements are not perfected under such other laws. To the extent that your security interests in any items of Collateral are unperfected, your rights with respect to such Collateral are equal to the rights of our general unsecured creditors in the event of any bankruptcy filed by or against us under applicable U.S. federal bankruptcy laws.

In addition, applicable law requires that certain property and rights acquired after the grant of a general security interest can only be perfected at the time such property and rights are acquired and identified. Necessary action may not be taken to properly perfect the security interest in such after-acquired Collateral. Failure to perfect security interests may invalidate such security interests, limit the assets included in the Collateral and block the exercise of remedies with respect to such assets. Moreover, the collateral agent may need to obtain the consent of a governmental agency to obtain or enforce a security interest in certain of the Collateral or to otherwise operate our business. We cannot assure you that the collateral agent will be able to obtain any such consent or that any such consent will not be delayed, the event of which may adversely affect your rights as holders. Moreover, the collateral agent in exercising its rights to foreclose on certain assets may need to commence governmental proceedings in order to obtain any necessary governmental approvals. As a result, there may be prolonged delays in receiving such approval, or such approval may not be granted to the collateral agent, the result of which may adversely affect your rights as holders.

If we were to file for bankruptcy protection, the ability of holders of the notes to realize upon the Collateral will be subject to certain bankruptcy law limitations, and if a bankruptcy petition were filed by us or against us, holders of the notes may receive a lesser amount for their claim than they would have been entitled to receive under the indenture governing the notes.

The ability of holders of the notes to realize upon the Collateral will be subject to certain bankruptcy law limitations if we were to file for bankruptcy protection. Under applicable U.S. federal bankruptcy laws, secured creditors are prohibited from repossessing their security from a debtor in a bankruptcy case without bankruptcy court approval and

may be prohibited from disposing of security repossessed from such a debtor without bankruptcy court approval. Moreover, applicable U.S. federal bankruptcy laws generally permit the debtor to continue to retain collateral, including cash collateral, even though the debtor is in default under the applicable debt instruments; *provided* that the secured creditor is given adequate protection.

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The meaning of the term "adequate protection" may vary according to the circumstances, but is intended generally to protect the value of the secured creditor's interest in the collateral at the commencement of the bankruptcy case and may include cash payments or the granting of additional security if and at such times as the court, in its discretion, determines that a diminution in the value of the collateral occurs as a result of the stay of repossession or the disposition of the collateral during the pendency of the bankruptcy case. In view of the lack of a precise definition of the term "adequate protection" and the broad discretionary powers of a U.S. bankruptcy court, we cannot predict whether or when the collateral agent for the notes could foreclose upon or sell the Collateral or whether or to what extent holders of notes would be compensated for any delay in payment or loss of value of the Collateral through the requirement of "adequate protection."

Moreover, if a bankruptcy petition were filed by or against us under applicable U.S. federal bankruptcy laws after the issuance of the notes, the claim by any holder of the notes for the principal amount of the notes may be limited to an amount equal to the sum of the original issue price for the notes and that portion of the original issue discount that does not constitute "unmatured interest" for purposes of applicable U.S. federal bankruptcy laws.

In any bankruptcy proceeding with respect to us or any of the guarantors, it is possible that any such bankruptcy trustee, any debtor-in-possession or any competing creditors will assert that the fair market value of the Collateral with respect to the notes on the date of any such bankruptcy filing was less than the then-current principal amount of the notes. Upon a finding by any such bankruptcy court that the notes are under-collateralized, the claims in such bankruptcy proceeding with respect to the notes would be bifurcated between a secured claim and an unsecured claim, and the unsecured claim would not be entitled to the benefits of security in the Collateral. Other consequences of a finding of under collateralization would be, among other things, a lack of entitlement on the part of the notes to receive post-petition interest and a lack of entitlement on the part of the unsecured portion of the notes to receive other "adequate protection" under applicable U.S. federal bankruptcy laws. In addition, if any payments of post-petition interest had been made at the time of such a finding of under-collateralization, those payments could be recharacterized by any such bankruptcy court as a reduction of the principal amount of the secured claim with respect to the notes.

U.S. federal and state fraudulent transfer laws may permit a court to void the notes, the guarantees and the liens securing the notes and the guarantees, subordinate claims in respect of the notes, the guarantees and the liens securing the notes and the guarantees, and require holders to return payments received and, if that occurs, you may not receive any payments on the notes.

U.S. federal and state fraudulent transfer and conveyance statutes may apply to the issuance of the notes, the incurrence of any guarantees of the notes entered into upon issuance of the notes and subsidiary guarantees that may be entered into thereafter under the terms of the indenture governing the notes and the granting of liens to secure the notes and the guarantees. Under applicable U.S. federal bankruptcy laws and comparable provisions of state fraudulent transfer or conveyance laws, which may vary from state to state, the notes and any guarantee or any of the liens securing the notes could be voided as a fraudulent transfer or conveyance if (1) we or any of the guarantors, as applicable, issued the notes, incurred its guarantee or granted the liens with the intent of hindering, delaying or defrauding creditors or (2) we or any of the guarantors, as applicable, received less than reasonably equivalent value or fair consideration in return for issuing the notes, incurring its guarantee or granting the liens and, in the case of (2) only, one of the following is also true at the time thereof:

we or any of the guarantors, as applicable, were insolvent or rendered insolvent by reason of the issuance of the notes or the incurrence of the guarantees;

the issuance of the notes or the incurrence of the guarantees left us or any of the guarantors, as applicable, with an unreasonably small amount of capital to carry on the business; or

we or any of the guarantors intended to, or believed that we or such guarantor would, incur debts beyond our or such guarantor's ability to pay such debts as they mature.

A court would likely find that we or a guarantor did not receive reasonably equivalent value or fair consideration for the notes or such guarantee if we or such guarantor did not substantially benefit directly or indirectly from the issuance of the notes or the applicable guarantee. As a general matter, value is given for a transfer

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or an obligation if, in exchange for the transfer or obligation, property is transferred or current or antecedent debt is secured or satisfied. We cannot be certain as to the standards a court would use to determine whether or not we or the guarantors were solvent at the relevant time or, regardless of the standard that a court uses, that the issuance of the guarantees would not be further subordinated to our or any of our guarantors' other debt. Generally, however, an entity would not be considered solvent if, at the time it incurred indebtedness:

the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all its assets; or

the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or