

GEORGIA GULF CORP /DE/
Form 424B3
December 27, 2012
Table of Contents

Index to Financial Statements

Filed Pursuant to Rule 424(b)(3)
Registration No. 333-183724

PROSPECTUS OFFER TO EXCHANGE

PPG INDUSTRIES, INC.

Offer to Exchange All Shares of Common Stock of

EAGLE SPINCO INC.

which are owned by PPG Industries, Inc.

and will be converted into Shares of Common Stock of

GEORGIA GULF CORPORATION

for

Shares of Common Stock of PPG Industries, Inc.

PPG Industries, Inc. (PPG) is offering to exchange all shares of common stock of Eagle Spinco Inc. (Splitco common stock) which are owned by PPG for shares of common stock of PPG (PPG common stock) that are validly tendered and not properly withdrawn. The number of shares of PPG common stock that will be accepted if this exchange offer is completed will depend on the final exchange ratio, the number of shares of Splitco common stock offered and the number of shares of PPG common stock tendered; provided that PPG will only accept up to 80,000,000 shares of PPG common stock in this exchange offer (the Maximum Amount). The terms and conditions of this exchange offer are described in this document, which you should read carefully. None of PPG, Eagle Spinco Inc. (Splitco), any of their respective directors or officers or any of their respective representatives makes any recommendation as to whether you should participate in this exchange offer. You must make your own decision after reading this document and consulting with your advisors.

Immediately following consummation of this exchange offer, a special purpose merger subsidiary of Georgia Gulf Corporation (Georgia Gulf) named Grizzly Acquisition Sub, Inc., a Delaware corporation (Merger Sub), will be merged with and into Splitco, whereby the separate corporate existence of Merger Sub will cease and Splitco will continue as the surviving company and a wholly-owned subsidiary of Georgia Gulf (the Merger). In the Merger, each share of Splitco common stock (except shares of Splitco common stock held by Splitco as treasury stock) will be converted into the right to receive a number of shares of common stock of Georgia Gulf (Georgia Gulf common stock) equal to (a) the greater of (i) 35,200,000 shares of Georgia Gulf common stock or (ii) the product of (x) the number of shares of Georgia Gulf common stock issued and outstanding immediately prior to the effective time of the Merger multiplied by (y) 1.02020202, divided by (b) the number of shares of Splitco common stock issued and outstanding immediately prior to the effective time of the Merger (subject to adjustment in certain circumstances). Pursuant to an amendment to the Merger Agreement dated August 31, 2012, Splitco will authorize the issuance of a number of shares of Splitco common stock such that the total number of shares of Splitco common stock outstanding immediately prior to the Merger will be that number that results in the exchange ratio in the Merger equaling one. As a result, each share of Splitco common stock (except shares of Splitco common stock held by Splitco as treasury stock) will be converted into one share of Georgia Gulf common stock in the Merger. Georgia Gulf expects to issue approximately 35,236,010 shares of Georgia Gulf common stock in the Merger. Accordingly, shares of Splitco common stock will not be transferred to participants in this exchange offer; such participants

Edgar Filing: GEORGIA GULF CORP /DE/ - Form 424B3

will instead receive shares of Georgia Gulf common stock in the Merger. No trading market currently exists or will ever exist for shares of Splitco common stock. You will not be able to trade the shares of Splitco common stock before they are exchanged for shares of Georgia Gulf common stock in the Merger. There can be no assurance, however, that shares of Georgia Gulf common stock when issued in the Merger will trade at the same prices as shares of Georgia Gulf common stock are traded prior to the Merger.

The value of PPG common stock and Splitco common stock will be determined by PPG by reference to the simple arithmetic average of the daily volume weighted average prices (VWAP) on each of the Valuation Dates (as defined below), of PPG common stock and the Georgia Gulf common stock on the New York Stock Exchange (NYSE) on each of the last three trading days (Valuation Dates) of the exchange offer period (not including the expiration date), as it may be voluntarily extended, but not including the last two trading days that are part of any Mandatory Extension (as described below). Based on an expiration date of January 28, 2013, the Valuation Dates are expected to be January 23, 2013, January 24, 2013, and January 25, 2013. See This Exchange Offer Terms of this Exchange Offer.

This exchange offer is designed to permit you to exchange your shares of PPG common stock for shares of Splitco common stock at a 10% discount to the per-share value of Georgia Gulf common stock, calculated as set forth in this document. For each \$1.00 of PPG common stock accepted in this exchange offer, you will receive approximately \$1.11 of Splitco common stock, subject to an upper limit of 3.9745 shares of Splitco common stock per share of PPG common stock. This exchange offer does not provide for a minimum exchange ratio. See This Exchange Offer Terms of this Exchange Offer. If the upper limit is in effect, then the exchange ratio will be fixed at that limit and this exchange offer will be automatically extended (a Mandatory Extension) until 8:00 a.m. New York City time, on the day after the second trading day following the last trading day prior to the originally contemplated expiration date to permit shareholders to tender or withdraw their PPG common stock during that period. IF THE UPPER LIMIT IS IN EFFECT, AND UNLESS YOU PROPERLY WITHDRAW YOUR SHARES, YOU WILL RECEIVE LESS THAN \$1.11 OF SPLITCO COMMON STOCK FOR EACH \$1.00 OF PPG COMMON STOCK THAT YOU TENDER, AND YOU COULD RECEIVE MUCH LESS.

The indicative exchange ratio that would have been in effect following the official close of trading on the NYSE on December 26, 2012 (the last trading day before the date of this document), based on the daily VWAPs of PPG common stock and Georgia Gulf common stock on December 21, 2012, December 24, 2012, and December 26, 2012, would have provided for 3.5329 shares of Splitco common stock to be exchanged for every share of PPG common stock accepted. The value of Splitco common stock received and, following the Merger, the value of Georgia Gulf common stock received may not remain above the value of PPG common stock tendered following the expiration date of this exchange offer.

THIS EXCHANGE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 8:00 A.M., NEW YORK CITY TIME, ON JANUARY 28, 2013, UNLESS THE OFFER IS EXTENDED OR TERMINATED. SHARES OF PPG COMMON STOCK TENDERED PURSUANT TO THIS EXCHANGE OFFER MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION OF THIS EXCHANGE OFFER.

In reviewing this document, you should carefully consider the risk factors beginning on page 42 of this document.

Neither the Securities and Exchange Commission (the SEC) nor any state securities commission has approved or disapproved of these securities or determined if this Prospectus Offer to Exchange is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this Prospectus Offer to Exchange is December 27, 2012.

Table of Contents

Index to Financial Statements

Unless there is a Mandatory Extension, the final exchange ratio used to determine the number of shares of Splitco common stock that you will receive for each share of PPG common stock accepted in this exchange offer will be announced by press release no later than 4:30 p.m., New York City time, on the last trading day prior to the expiration date. At such time, the final exchange ratio will be available at <http://www.edocumentview.com/PPGINDUSTRIES> and from the information agent at the toll free number provided on the back cover of this document. PPG will announce whether the upper limit on the number of shares that can be received for each share of PPG common stock tendered will be in effect at the expiration of the exchange offer period, through <http://www.edocumentview.com/PPGINDUSTRIES> and by press release, no later than 4:30 p.m., New York City time, on the last trading day prior to the expiration date. Throughout this exchange offer, indicative exchange ratios (calculated in the manner described in this document) will also be available on that website and from the information agent at the toll free number provided on the back cover of this document.

This document provides information regarding PPG, Splitco, Georgia Gulf, the exchange offer and the Merger in which shares of PPG common stock may be exchanged for shares of Splitco common stock which will then be immediately exchanged for shares of Georgia Gulf common stock and distributed to participating PPG shareholders as described herein. PPG common stock is listed on the NYSE under the symbol PPG. Georgia Gulf common stock is listed on the NYSE under the symbol GGC. On December 26, 2012, the last reported sale price of PPG common stock on the NYSE was \$134.74, and the last reported sale price of Georgia Gulf common stock on the NYSE was \$41.82. The market prices of PPG common stock and of Georgia Gulf common stock will fluctuate prior to the completion of this exchange offer and thereafter and may be higher or lower at the expiration date than the prices set forth above. No trading market currently exists for shares of Splitco common stock, and no such market will exist in the future. Splitco has not applied for listing of its common stock on any exchange.

*If this exchange offer is consummated but this exchange offer is not fully subscribed because less than all the shares of Splitco common stock owned by PPG are exchanged, the remaining shares of Splitco common stock owned by PPG will be distributed to PPG shareholders whose shares of PPG common stock remain outstanding after the consummation of the exchange offer pursuant to a pro rata distribution (a spin-off) that would also be consummated on the closing date of the Merger. Any PPG shareholder who validly tenders (and does not properly withdraw) shares of PPG common stock for shares of Splitco common stock in the exchange offer will waive their rights with respect to such shares to receive, and forfeit any rights to, shares of Splitco common stock distributed on a pro rata basis to PPG shareholders in the event the exchange offer is not fully subscribed. This document covers all shares of Splitco common stock offered by PPG in this exchange offer and all shares of Splitco common stock that may be distributed by PPG as a spin-off to holders of PPG common stock. If this exchange offer is terminated by PPG without the exchange of shares (but the conditions for consummation of the Transactions have otherwise been satisfied), all shares of Splitco common stock owned by PPG will be distributed in a spin-off to holders of PPG. See *This Exchange Offer Distribution of Any Shares of Splitco Common Stock Remaining After This Exchange Offer*.*

Immediately following consummation of this exchange offer, in the Merger, Merger Sub will be merged with and into Splitco, whereby the separate corporate existence of Merger Sub will cease and Splitco will continue as the surviving company and a wholly-owned subsidiary of Georgia Gulf. Each share of Splitco common stock (except shares of Splitco common stock held by Splitco as treasury stock) will be converted into the right to receive a number of shares of Georgia Gulf common stock equal to (a) the greater of (i) 35,200,000 shares of Georgia Gulf common stock or (ii) the product of (x) the number of shares of Georgia Gulf common stock issued and outstanding immediately prior to the effective time of the Merger multiplied by (y) 1.02020202, divided by (b) the number of shares of Splitco common stock issued and outstanding immediately prior to the effective time of the Merger (subject to adjustment in certain circumstances). Immediately after the Merger, at least 50.5% of the shares of Georgia Gulf common stock are expected to be held by pre-Merger holders of Splitco common stock and no more than 49.5% of the shares of Georgia Gulf common stock are expected to be held by pre-Merger Georgia Gulf stockholders.

*PPG's obligation to exchange shares of Splitco common stock for Georgia Gulf common stock is subject to the conditions listed under *This Exchange Offer Conditions for Consummation of this Exchange Offer*, including the satisfaction of conditions to the Merger, which include the Georgia Gulf stockholder approval of the issuance of Georgia Gulf common stock in connection with the Merger, and other conditions.*

Table of Contents

Index to Financial Statements

TABLE OF CONTENTS

	<i>Page</i>
<u>HELPFUL INFORMATION</u>	1
<u>QUESTIONS AND ANSWERS ABOUT THIS EXCHANGE OFFER AND THE TRANSACTIONS</u>	4
<u>Questions and Answers About This Exchange Offer</u>	4
<u>Questions and Answers About the Transactions</u>	12
<u>SUMMARY</u>	17
<u>The Companies</u>	17
<u>The Transactions</u>	18
<u>Number of Shares of Splitco Common Stock to Be Distributed to PPG Shareholders</u>	22
<u>Terms of this Exchange Offer</u>	22
<u>Debt Financing</u>	28
<u>Board of Directors and Management of Georgia Gulf Following the Transactions</u>	28
<u>Georgia Gulf Stockholder Vote</u>	29
<u>Accounting Treatment and Considerations</u>	29
<u>Material U.S. Federal Income Tax Consequences of the Distribution and the Merger</u>	29
<u>SUMMARY HISTORICAL AND PRO FORMA FINANCIAL DATA</u>	31
<u>Summary Historical Combined Financial Data of the PPG Chlor-alkali and Derivatives Business</u>	31
<u>Summary Historical Consolidated Financial Data of PPG</u>	32
<u>Summary Historical Consolidated Financial Data of Georgia Gulf</u>	34
<u>Summary Unaudited Pro Forma Condensed Consolidated Financial Information of PPG Reflecting the Transactions</u>	35
<u>Summary Unaudited Pro Forma Condensed Combined Financial Information of Georgia Gulf and the PPG Chlor-alkali and Derivatives Business</u>	37
<u>Summary Comparative Historical and Pro Forma Per Share Data</u>	39
<u>Historical Common Stock Market Price and Dividend Data</u>	40
<u>RISK FACTORS</u>	42
<u>Risks Related to the Transactions</u>	42
<u>Other Risks that Relate to Georgia Gulf, Including the PPG Chlor-alkali and Derivatives Business After the Transactions</u>	49
<u>CAUTIONARY STATEMENT ON FORWARD-LOOKING STATEMENTS</u>	62
<u>THIS EXCHANGE OFFER</u>	63
<u>Terms of this Exchange Offer</u>	63
<u>Conditions for Consummation of this Exchange Offer</u>	77
<u>Material U.S. Federal Income Tax Consequences of the Distribution and the Merger</u>	79
<u>Treatment of Specified PPG Compensatory Equity-Based Awards Held by Current Splitco Employees</u>	82
<u>Fees and Expenses</u>	83
<u>Legal Limitations</u>	83
<u>Certain Matters Relating to Non-U.S. Jurisdictions</u>	83
<u>Distribution of Any Shares of Splitco Common Stock Remaining After This Exchange Offer</u>	84
<u>INFORMATION ON GEORGIA GULF</u>	85
<u>Overview</u>	85
<u>Georgia Gulf's Business After the Transactions</u>	85
<u>Georgia Gulf's Liquidity and Capital Resources After the Transactions</u>	86
<u>Directors and Officers of Georgia Gulf Before and After the Transactions</u>	88
<u>INFORMATION ON PPG</u>	91
<u>Performance Coatings, Industrial Coatings and Architectural Coatings EMEA</u>	91
<u>Optical and Specialty Materials</u>	92
<u>Commodity Chemicals</u>	92
<u>Glass</u>	92
<u>INFORMATION ON THE PPG CHLOR-ALKALI AND DERIVATIVES BUSINESS</u>	93
<u>General</u>	93

Table of Contents**Index to Financial Statements**

<u>Products</u>	93
<u>Manufacturing and Facilities</u>	94
<u>Sales and Distribution</u>	95
<u>Raw Materials and Energy</u>	95
<u>Research and Development</u>	95
<u>Seasonality</u>	96
<u>Competition</u>	96
<u>Regulation and Environmental Matters</u>	96
<u>Legal Proceedings</u>	98
<u>Employees</u>	99
<u>Board of Directors</u>	99
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE PPG CHLOR-ALKALI AND DERIVATIVES BUSINESS</u>	100
<u>Overview</u>	100
<u>Separation of the PPG Chlor-alkali and Derivatives Business from PPG Industries, Inc.</u>	100
<u>Results of Operations</u>	101
<u>Performance in 2011 Compared with 2010</u>	102
<u>Performance in 2010 Compared with 2009</u>	104
<u>Liquidity and Capital Resources</u>	104
<u>Off-Balance Sheet Arrangements</u>	105
<u>Quantitative and Qualitative Disclosures About Market Risk</u>	105
<u>Contractual Obligations</u>	106
<u>Critical Accounting Estimates</u>	106
<u>SELECTED HISTORICAL AND PRO FORMA FINANCIAL DATA</u>	108
<u>Selected Historical Combined Financial Data of the PPG Chlor-alkali and Derivatives Business</u>	108
<u>Selected Consolidated Historical Financial Data of PPG</u>	108
<u>Selected Historical Consolidated Financial Data of Georgia Gulf</u>	109
<u>Retroactive Presentation for Change in Accounting Principles</u>	112
<u>Unaudited Pro Forma Condensed Consolidated Financial Statements of PPG Reflecting the Transactions</u>	113
<u>Unaudited Pro Forma Condensed Combined Financial Statements of Georgia Gulf and the PPG Chlor-alkali and Derivatives Business</u>	118
<u>HISTORICAL PER SHARE DATA, MARKET PRICE AND DIVIDEND DATA</u>	130
<u>Comparative Historical and Pro Forma Per Share Data</u>	130
<u>Historical Common Stock Market Price and Dividend Data</u>	130
<u>Georgia Gulf Dividend Policy</u>	131
<u>PPG Dividend Policy</u>	131
<u>THE TRANSACTIONS</u>	132
<u>Determination of Number of Shares of Splitco Common Stock to be Distributed to PPG Shareholders</u>	136
<u>Background of the Transactions</u>	136
<u>Georgia Gulf's Reasons for the Transactions</u>	143
<u>Georgia Gulf's Stockholders Meeting</u>	161
<u>PPG's Reasons for the Transactions</u>	161
<u>Interests of Certain Persons in the Transactions</u>	162
<u>Accounting Treatment of the Merger</u>	162
<u>Regulatory Approvals</u>	163
<u>Federal Securities Law Consequences: Resale Restrictions</u>	163
<u>No Appraisal or Dissenters' Rights</u>	163
<u>THE MERGER AGREEMENT</u>	164
<u>The Merger</u>	164
<u>Closing; Effective Time</u>	164
<u>Merger Consideration</u>	165
<u>Issuance of Splitco Common Stock to PPG</u>	166

Table of Contents**Index to Financial Statements**

<u>Distribution of Per Share Merger Consideration</u>	166
<u>Treatment of PPG Equity Awards</u>	167
<u>Distribution With Respect to Shares of Georgia Gulf Common Stock After the Effective Time of the Merger</u>	167
<u>Termination of the Distribution Fund</u>	167
<u>Post-Closing Georgia Gulf Board of Directors and Officers</u>	168
<u>Stockholders Meeting</u>	168
<u>Representations and Warranties</u>	168
<u>Conduct of Business Pending Closing</u>	171
<u>Tax Matters</u>	175
<u>SEC Filings</u>	175
<u>Regulatory Matters</u>	175
<u>No Solicitation</u>	176
<u>Board Recommendation</u>	178
<u>Financing</u>	179
<u>Covenant Not to Compete</u>	181
<u>Non-Solicitation of Employees</u>	182
<u>Certain Other Covenants and Agreements</u>	182
<u>Conditions to the Merger</u>	183
<u>Termination</u>	185
<u>Termination Fee Payable in Certain Circumstances</u>	186
<u>Expenses</u>	186
<u>Specific Performance</u>	187
<u>Other Transaction Agreements</u>	187
<u>Amendments</u>	187
<u>THE SEPARATION AGREEMENT</u>	188
<u>Overview</u>	188
<u>Issuance of Splitco Common Stock to PPG Shareholders</u>	188
<u>Transfer of the Assets and Assumption of Liabilities</u>	188
<u>Transfer of the PPG Chlor-alkali and Derivatives Business</u>	193
<u>Intercompany Arrangements and Guarantees</u>	193
<u>Consents and Delayed Transfers</u>	194
<u>Shared Contracts</u>	194
<u>Transfer of the TCI Interests</u>	195
<u>No Representations or Warranties</u>	195
<u>Mutual Releases and Indemnification</u>	195
<u>Post-Closing Working Capital Adjustment</u>	197
<u>Covenants</u>	197
<u>Conditions to the Separation and Distribution</u>	198
<u>Termination</u>	198
<u>Parties in Interest</u>	198
<u>DEBT FINANCING</u>	199
<u>Senior Secured Term Loan Facility</u>	199
<u>Splitco Debt Securities</u>	201
<u>PPG Bridge Facility</u>	201
<u>Debt Exchange</u>	202
<u>Exchange Loans and Exchange Notes</u>	203
<u>New ABL Revolver</u>	203
<u>OTHER AGREEMENTS</u>	204
<u>Employee Matters Agreement</u>	204
<u>Tax Matters Agreement</u>	206
<u>Transition Services Agreement</u>	207

Table of Contents**Index to Financial Statements**

<u>Shared Facilities, Services and Supply Agreement</u>	208
<u>Servitude Agreement</u>	208
<u>The Electric Generation, Distribution and Transmission Facilities Lease</u>	208
<u>Chlorine, Liquid Caustic Soda and Hydrochloric Acid Sales Agreements</u>	209
<u>Monroeville Shared Facilities Agreement</u>	209
<u>Master Terminal Agreement</u>	209
<u>Chlorine Sales Agreement Amendment</u>	209
<u>DESCRIPTION OF GEORGIA GULF CAPITAL STOCK</u>	211
<u>OWNERSHIP OF GEORGIA GULF COMMON STOCK</u>	214
<u>COMPARISON OF RIGHTS OF HOLDERS OF PPG COMMON STOCK AND GEORGIA GULF COMMON STOCK</u>	216
<u>Authorized Capital Stock</u>	216
<u>Certain Anti-Takeover Effects of Provisions of the GGC Articles, the GGC Bylaws and Delaware Law</u>	224
<u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS</u>	224
<u>LEGAL MATTERS</u>	224
<u>EXPERTS</u>	224
<u>WHERE YOU CAN FIND MORE INFORMATION: INCORPORATION BY REFERENCE</u>	225
<u>INDEX TO FINANCIAL PAGES</u>	F-1
<u>ANNEXES</u>	
<u>Opinion of Barclays Capital Inc.</u>	A-1
<u>Opinion of Houlihan Lokey Financial Advisors, Inc.</u>	B-1

This document incorporates by reference important business and financial information about PPG and Georgia Gulf from documents filed with the U.S. Securities and Exchange Commission (SEC) that have not been included in or delivered with this document. This information is available at the website that the SEC maintains at www.sec.gov, as well as from other sources. See **Where You Can Find More Information; Incorporation By Reference. You also may ask any questions about this exchange offer or request copies of the exchange offer documents from PPG, without charge, upon written or oral request to PPG's information agent, Georgeson Inc., located at 199 Water Street, 26th Floor, New York, New York 10038-3560 or at telephone number (212) 440-9800 (for banks and brokers) and (888) 624-2255 (for all other callers). In order to receive timely delivery of the documents, you must make your requests no later than January 21, 2013.**

All information contained or incorporated by reference in this document with respect to Georgia Gulf and Merger Sub and their respective subsidiaries, as well as information on Georgia Gulf after the consummation of the Transactions, has been provided by Georgia Gulf. All other information contained or incorporated by reference in this document with respect to PPG, Splitco or their respective subsidiaries, or the PPG Chlor-alkali and Derivatives Business, and with respect to the terms and conditions of the exchange offer has been provided by PPG. This document contains or incorporates by reference references to trademarks, trade names and service marks, including tri-ethane[®], VersaTrans[®] and Accu-Tab[®], that are owned by PPG and its related entities. Transitions[®] is a registered trademark of Transitions Optical, Inc.

This prospectus is not an offer to sell or exchange and it is not a solicitation of an offer to buy any shares of PPG common stock, Splitco common stock or Georgia Gulf common stock in any jurisdiction in which the offer, sale or exchange is not permitted. Non-U.S. shareholders should consult their advisors in considering whether they may participate in the exchange offer in accordance with the laws of their home countries and, if they do participate, whether there are any restrictions or limitations on transactions in the shares of Splitco common stock that may apply in their home countries. PPG, Splitco and Georgia Gulf cannot provide any assurance about whether such limitations may exist. See

This Exchange Offer **Certain Matters Relating to Non-U.S. Jurisdictions** for additional information about limitations on the exchange offer outside the United States.

Table of Contents

Index to Financial Statements

HELPFUL INFORMATION

In this document:

Additional Agreements means the Employee Matters Agreement, the Tax Matters Agreement, the Shared Facilities, Services and Supply Agreement, the Transition Services Agreement, the Servitude Agreement, the Electric Generation, Distribution and Transmission Facilities Lease, and the Chlorine, Liquid Caustic Soda and Hydrochloric Acid Sales Agreements;

ASC means the Financial Accounting Standards Board Accounting Standards Codification;

Chlorine, Liquid Caustic Soda and Hydrochloric Acid Sales Agreements means those certain agreements to be entered into at the date of the Separation between PPG and Georgia Gulf;