

PROSPECTUS SUPPLEMENT  
(To Prospectus dated June 21, 2012)

**\$400,000,000**



**2.70% Senior Secured Notes due 2022**

Ameren Illinois Company, doing business as Ameren Illinois, is offering \$400,000,000 principal amount of its 2.70% Senior Secured Notes due 2022, referred to in this prospectus supplement as the "senior secured notes." The senior secured notes will mature on September 1, 2022. We will pay interest on the senior secured notes on March 1 and September 1 of each year. The first such payment will be made on March 1, 2013. The senior secured notes will be issued only in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. We may at any time and from time to time redeem all or a portion of the senior secured notes at the redemption price set forth in this prospectus supplement under "Description of Senior Secured Notes—Redemption."

The senior secured notes will be secured by a series of our first mortgage bonds, referred to as the "senior note mortgage bonds," issued and delivered by us to the trustee under the senior secured indenture. Accordingly, the senior secured notes will be secured ratably with our first mortgage bonds in the collateral pledged to secure such bonds.

**Investing in our senior secured notes involves risks. See "Risk Factors" on page S-3 of this prospectus supplement.**

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

	<u>Offering Price(1)</u>	<u>Discounts and Commissions to Underwriters</u>	<u>Proceeds, Before Expenses, to Ameren Illinois Company</u>
Per senior secured note . . . . .	99.964%	0.650%	99.314%
Total . . . . .	\$399,856,000	\$2,600,000	\$397,256,000

(1) Plus accrued interest from August 20, 2012 if settlement occurs after that date.

The underwriters expect to deliver the senior secured notes in book-entry form only through the facilities of The Depository Trust Company for the accounts of its participants, including Clearstream Banking, *société anonyme*, or Euroclear Bank S.A./N.V., as operator of the Euroclear System, against payment in New York, New York on or about August 20, 2012.

*Joint Book-Running Managers*

**Deutsche Bank Securities  
RBS**

**J.P. Morgan**

**UBS Investment Bank  
Scotiabank**

*Co-Manager*

**Loop Capital Markets**

August 13, 2012



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You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus and in any written communication from Ameren Illinois Company or the underwriters specifying the final terms of the offering. We have not, and the underwriters have not, authorized any other person to provide you with additional or different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell the senior secured notes in any jurisdiction where the offer or sale is not permitted. You should not assume that the information in this prospectus supplement or in the accompanying prospectus is accurate as of any date other than the date on the front of those documents or that the information incorporated by reference is accurate as of any date other than the date of the document incorporated by reference. Our business, financial condition, results of operations and prospects may have changed since then.

In this prospectus supplement, references to "we," "us" and "our" are to Ameren Illinois Company, doing business as Ameren Illinois.

## ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of the senior secured notes we are offering and the related senior note mortgage bonds securing the senior secured notes. The second part, the base prospectus, gives more general information, some of which may not apply to the senior secured notes we are offering in this prospectus supplement. See "Description of Senior Secured Debt Securities" and "Description of First Mortgage Bonds and Mortgage Indenture" in the accompanying prospectus. In the event that information in this prospectus supplement is inconsistent with information in the accompanying base prospectus, you should rely on the information in this prospectus supplement.

This prospectus supplement and the accompanying prospectus are part of the registration statement that we have filed with the Securities and Exchange Commission ("SEC") utilizing a "shelf" registration process. Under this shelf registration process, we may sell, at any time and from time to time, in one or more offerings, any of the securities described in the accompanying prospectus, including the senior secured notes, up to an indeterminate amount, of which this offering is a part. In this prospectus supplement, we provide you with specific information about the terms of the senior secured notes and this offering.

## AMEREN ILLINOIS COMPANY

### General

Ameren Illinois Company, doing business as Ameren Illinois, is a subsidiary of Ameren Corporation ("Ameren"), a public utility holding company for Ameren Illinois, Union Electric Company, doing business as Ameren Missouri, and various non-rate-regulated subsidiaries. Ameren, headquartered in St. Louis, Missouri, is a public utility holding company under the Public Utility Holding Company Act of 2005, administered by the Federal Energy Regulatory Commission. Ameren Illinois was incorporated in Illinois in 1923 as Central Illinois Public Service Company ("CIPS"). On October 1, 2010, Central Illinois Light Company ("CILCO") and Illinois Power Company ("IP") merged with and into CIPS (the "Ameren Illinois Merger") with the surviving corporation renamed Ameren Illinois Company, doing business as Ameren Illinois. Ameren Illinois operates a rate-regulated electric and natural gas transmission and distribution business in Illinois. Ameren Illinois supplies electric and natural gas utility service to portions of central and southern Illinois having an estimated population of 3.1 million in an area of 40,000 square miles. As of December 31, 2011, Ameren Illinois supplied electric service to 1.2 million customers and natural gas service to 809,000 customers.

### Tender Offer

On July 30, 2012, we commenced a cash tender offer, which we refer to as the "tender offer," to repurchase our outstanding 9.75% Senior Secured Notes due 2018 (the "9.75% Notes") and 6.25% Senior Secured Notes due 2018 (the "6.25% Notes") for an aggregate purchase price (including principal and premium) of up to \$450,000,000 as a means to reduce the average weighted interest rate, and enhance the maturity profile, of our outstanding indebtedness. We expect to use the net proceeds from this offering, together with other available cash, to provide the total amount of funds required to complete the tender offer, including the payment of interest on the debt securities purchased thereunder and all related fees and expenses as well as to redeem all or a portion of certain other outstanding debt.

The early tender date and the withdrawal deadline for the tender offer was at 5:00 p.m., New York City time, on August 10, 2012. As of such time, approximately \$87 million in aggregate principal amount of the 9.75% Notes and approximately \$193 million in aggregate principal amount of the 6.25% Notes had been validly tendered and not validly withdrawn. The tender offer will expire at 12:00 midnight, New York City time, on August 24, 2012, unless extended. The tender offer is not conditioned upon any minimum amount of debt securities being tendered, and, subject to applicable law, we may, in our sole discretion, increase or decrease the aggregate amount of debt securities subject to the tender offer without extending the withdrawal deadline. The

tender offer is subject to the satisfaction or waiver of certain conditions, including our completion of this offering (or another debt financing transaction) in a manner that would result in an economic benefit to us in accordance with the Illinois Commerce Commission order authorizing our proposed offering of senior secured debt securities.

The tender offer is being made solely on the terms and subject to the conditions set forth in the offer to purchase, dated July 30, 2012, relating to the tender offer. We cannot assure you that the tender offer will be consummated in accordance with its terms, or at all. J.P. Morgan Securities LLC, one of the joint book-running managers for this offering, is also acting as the dealer manager in connection with the tender offer. Neither this prospectus supplement nor the accompanying prospectus is an offer to purchase the debt securities subject to the tender offer.

## **RISK FACTORS**

Investing in the senior secured notes involves certain risks. In considering whether to purchase the senior secured notes offered by this prospectus supplement, you should carefully consider the information included or incorporated by reference in this prospectus supplement and the accompanying prospectus. In particular, you should carefully consider the information under the heading "Forward-Looking Statements" below and under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2011 (the "2011 Form 10-K"), which is incorporated by reference herein.

## **FORWARD-LOOKING STATEMENTS**

Statements in this prospectus supplement not based on historical facts are considered "forward-looking" and, accordingly, involve risks and uncertainties that could cause actual results to differ materially from those discussed. Although such forward-looking statements have been made in good faith and are based on reasonable assumptions, there is no assurance that the expected results will be achieved. These statements include (without limitation) statements as to future expectations, beliefs, plans, strategies, objectives, events, conditions, and financial performance. In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, we are providing this cautionary statement to identify important factors that could cause actual results to differ materially from those anticipated. The following factors, in addition to those discussed under "Risk Factors" in the 2011 Form 10-K and in our other filings with the SEC, could cause actual results to differ materially from management expectations suggested in such forward-looking statements:

- regulatory, judicial, or legislative actions, including changes in regulatory policies and ratemaking determinations, such as the outcome of our electric rate case filed in 2012; our expected request for rehearing of a July 2012 Federal Energy Regulatory Commission order requiring a refund to transmission services customers; and future regulatory, judicial, or legislative actions that seek to change regulatory recovery mechanisms, such as the Illinois Energy Infrastructure Modernization Act ("IEIMA"), which provides for formula ratemaking in Illinois;
- the effect of our participation in a new performance-based formula ratemaking process under the IEIMA, the related financial commitments required by the IEIMA and the resulting uncertain impact on our financial condition, results of operations and liquidity;
- the effects of, or changes to, the Illinois power procurement process;
- changes in laws and other governmental actions, including monetary, fiscal, and tax policies;
- changes in laws or regulations that adversely affect the ability of electric distribution companies and other purchasers of wholesale electricity to pay their suppliers;
- the effects of increased competition in the future due to, among other things, deregulation of certain aspects of our business at both the state and federal levels, and the implementation of deregulation;
- the effects on demand for our services resulting from technological advances, including advances in energy efficiency and distributed generation sources, which generate electricity at the site of consumption;

- increasing capital expenditure and operating expense requirements and our ability to recover these costs;
- the cost and availability of purchased power and natural gas for distribution and the level and volatility of future market prices for such commodities, including the ability to recover the costs for such commodities;
- the effectiveness of our risk management strategies and the use of financial and derivative instruments;
- the level and volatility of future prices for power in the Midwest;
- the development of a capacity market within the Midwest Independent Transmission System Operator, Inc. ("MISO") and the outcomes of MISO's inaugural capacity auction in 2013;
- business and economic conditions, including their impact on interest rates, bad debt expense, and demand for our products;
- disruptions of the capital markets, deterioration in our credit metrics, or other events that make our access to necessary capital, including short-term credit and liquidity, impossible, more difficult, or more costly;
- our assessment of our liquidity;
- the impact of the adoption of new accounting guidance and the application of appropriate technical accounting rules and guidance;
- actions of credit rating agencies and the effects of such actions;
- the impact of weather conditions and other natural phenomena on us and our customers;
- the impact of system outages;
- transmission and distribution asset construction, installation, performance, and cost recovery;
- the effects of our increasing investment in electric transmission projects and uncertainty as to whether we will achieve our expected returns in a timely fashion, if at all;
- impairments of long-lived assets, intangible assets, or goodwill;
- the effects of strategic initiatives, including mergers, acquisitions and divestitures, and any related tax implications;
- the impact of current environmental regulations on utilities and new, more stringent or changing requirements, including those related to greenhouse gases, other emissions, cooling water intake structures, coal combustion residuals, and energy efficiency, that are enacted over time and that could increase our costs, reduce our customers' demand for electricity or natural gas, or otherwise have a negative financial effect;
- labor disputes, workforce reductions, future wage and employee benefits costs, including changes in discount rates and returns on benefit plan assets;
- the inability of our counterparties and affiliates to meet their obligations with respect to contracts, credit facilities, and financial instruments;
- legal and administrative proceedings; and
- acts of sabotage, war, terrorism, cybersecurity attacks or intentionally disruptive acts.

Given these uncertainties, undue reliance should not be placed on these forward-looking statements. Except to the extent required by the federal securities laws, we undertake no obligation to update or revise publicly any forward-looking statements to reflect new information or future events.

## WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement on Form S-3 with the SEC under the Securities Act of 1933. This prospectus supplement and the accompanying prospectus are part of the registration statement, but the registration statement also contains or incorporates by reference additional information and exhibits. We are subject to the informational requirements of the Securities Exchange Act of 1934 and, therefore, we file annual, quarterly and current reports, information statements and other information with the SEC. You may read and copy the registration statement and any document that we file with the SEC at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. You can call the SEC's toll-free telephone number at 1-800-SEC-0330 for further information on the public reference room. The SEC maintains a website at <http://www.sec.gov> that contains reports, proxy and information statements and other information regarding companies, such as us, that file documents with the SEC electronically. The documents can be found by searching the EDGAR archives of the SEC electronically.

The SEC allows us to "incorporate by reference" the information that we file with the SEC which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus supplement and you should read it with the same care. Later information that we file with the SEC will automatically update and supersede this information and will be deemed to be incorporated by reference into this prospectus supplement (other than any documents, or portions of documents, not deemed to be filed). We incorporate by reference the following documents previously filed with the SEC:

- the 2011 Form 10-K;
- our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2012 and June 30, 2012; and
- our Current Reports on Form 8-K filed on January 3, 2012, January 13, 2012, April 25, 2012 and June 13, 2012 (excluding portions deemed to be furnished and not filed).

We are also incorporating by reference all additional documents that we file with the SEC under Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934 after the date of this prospectus supplement until the offering contemplated by this prospectus supplement is completed or terminated.

Any statement contained in this prospectus supplement, or in a document incorporated or deemed to be incorporated by reference in this prospectus supplement, will be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained in this prospectus supplement, or in any separately filed document which also is or is deemed to be incorporated by reference herein, modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute part of this prospectus supplement.

You may request a free copy of these filings by writing or telephoning us, c/o Ameren Corporation, at the following address:

Ameren Illinois Company  
c/o Ameren Corporation  
Attention: Secretary's Department  
P.O. Box 66149  
St. Louis, Missouri 63166-6149  
Telephone: (314) 621-3222

Copies of these filings are also available from Ameren's website at <http://www.ameren.com>. We do not intend this internet address to be an active link or to otherwise incorporate the contents of the website into this prospectus supplement.

## RATIO OF EARNINGS TO FIXED CHARGES

The information in this section supplements the information in the "Ratios of Earnings to Fixed Charges and Combined Fixed Charges and Preferred Stock Dividend Requirements" section on page 4 of the accompanying prospectus.

Our ratio of earnings to fixed charges for the six months ended June 30, 2012 was 2.50.

## CAPITALIZATION

The following table shows our capitalization as of June 30, 2012. As of June 30, 2012, we had no short-term borrowings.

	As of June 30, 2012(3)	
	Amount (in millions)	Percent of Total Capitalization
Long-term debt, including current maturities(1)(2) .....	\$1,658	40.5%
Preferred stock (not subject to mandatory redemption) .....	62	1.5%
Common stockholder's equity .....	2,372	58.0%
Total capitalization .....	\$4,092	100.0%

- (1) Includes unamortized debt discount of \$8 million.
- (2) Consists of (a) approximately \$1.2 billion of senior secured debt securities secured by first mortgage bonds and approximately \$88 million of first mortgage bonds securing environmental improvement and pollution control revenue bonds issued under the mortgage indenture, (b) approximately \$279 million of other secured debt secured by a lien on substantially all of the property and franchises that were owned by CILCO immediately prior to the Ameren Illinois Merger and certain extensions, enlargements, additions, or repairs to such property or franchises acquired after the Ameren Illinois Merger, but not by a lien on the mortgaged property securing the senior secured debt securities described in this prospectus supplement (see "First Mortgage Bonds and Mortgage Indenture—Priority and Security" in the accompanying prospectus), and (c) approximately \$111 million of unsecured tax-exempt indebtedness.
- (3) The net proceeds from the sale of the senior secured notes, together with other available cash, will be used to provide the total amount of funds required to complete the tender offer, including the payment of interest on the debt securities purchased thereunder and all related fees and expenses as well as to redeem all or a portion of certain other outstanding debt and, as a result, our capitalization will not be materially affected. See "Use of Proceeds."

## USE OF PROCEEDS

We estimate the net proceeds from the sale of the senior secured notes offered by this prospectus supplement (after deducting underwriting discounts and commissions and our other expenses of the offering) will be approximately \$397.0 million. We intend to use the net proceeds of this offering, together with other available cash, to provide the total amount of funds required to complete the tender offer, including the payment of interest on the debt securities purchased thereunder and all related fees and expenses. We also expect to use the net proceeds to redeem, at par value, all or a portion of \$51.1 million aggregate principal amount of 5.50% debt maturing in 2014. Pending such use of the net proceeds, we intend to invest all or a portion of the net proceeds in short-term interest-bearing investments or in the Ameren utility money pool.

## DESCRIPTION OF SENIOR SECURED NOTES

*The following description of the senior secured notes is only a summary and is not intended to be comprehensive. The description should be read together with the description set forth in the accompanying prospectus under the heading "Description of Senior Secured Debt Securities." In the event that information in this prospectus supplement is inconsistent with information in the accompanying prospectus, you should rely on the information in this prospectus supplement.*

### General

We are issuing \$400,000,000 in principal amount of senior secured notes as a new series of senior debt securities under, and secured by, our senior secured indenture dated as of June 1, 2006, as it may be amended or supplemented, which we refer to collectively as the senior secured indenture, between The Bank of New York Mellon Trust Company, N.A., as trustee, and us (as successor to IP). The senior secured notes will mature on September 1, 2022. We will pay interest on the senior secured notes on March 1 and September 1 of each year to holders of record on the preceding February 15 and August 15, respectively. The first interest payment date is March 1, 2013.

Interest on the senior secured notes accrues from the date of original issuance at the rate per year set forth on the cover page of this prospectus supplement. Interest will be calculated on the basis of a 360-day year of twelve 30-day months. In the event that the maturity date, any redemption date or any interest payment date is not a business day, the payment of principal, premium, if any, or interest payable on that date will be made on the succeeding day that is a business day, without any interest or other payment in respect of the delay. A business day shall mean any weekday that is not a day on which banking institutions or trust companies in the Borough of Manhattan, the City and State of New York, or in the city where the corporate trust office of the trustee under the senior secured indenture is located, are obligated or authorized by law to close.

We may from time to time, without the consent of the existing holders of the senior secured notes, "reopen" this series of senior secured notes which means we can create and issue further senior secured notes having the same terms and conditions (including the same CUSIP number) as the senior secured notes offered by this prospectus supplement in all respects, except for the date of original issuance, the initial interest payment date and the offering price. Additional senior secured notes issued in this manner will be consolidated with, and form a single series with, the previously outstanding senior secured notes.

The senior secured notes will be represented by one or more global securities, in registered form, without coupons, and will be registered in the name of a nominee of The Depository Trust Company ("DTC"). For so long as the senior secured notes are registered in the name of DTC, or its nominee, we will pay the principal, premium, if any, and interest due on the senior secured notes to DTC for payment to its participants for subsequent disbursement to the beneficial owners. See "—Global Securities and Book-Entry System."

## Redemption

All or a portion of the senior secured notes may be redeemed at our option at any time or from time to time. The redemption price for the senior secured notes to be redeemed on any redemption date prior to June 1, 2022 (three months prior to the maturity of the senior secured notes) will be equal to the greater of the following amounts:

- 100% of the principal amount of the senior secured notes being redeemed on the redemption date; or
- the sum of the present values of the remaining scheduled payments of principal and interest on the senior secured notes being redeemed on that redemption date (not including any portion of any payments of interest accrued to the redemption date) discounted to the redemption date on a semiannual basis at the Adjusted Treasury Rate (as defined below) plus 15 basis points, as determined by the Reference Treasury Dealer (as defined below);

plus, in each case, accrued and unpaid interest thereon to the redemption date. The redemption price for the senior secured notes to be redeemed on any redemption date on or after June 1, 2022 will be equal to 100% of the principal amount of the senior secured notes being redeemed on the redemption date plus accrued and unpaid interest thereon to the redemption date. Notwithstanding the foregoing, installments of interest on senior secured notes that are due and payable on interest payment dates falling on or prior to a redemption date will be payable on the interest payment date to the registered holders as of the close of business on the relevant record date according to the senior secured notes and the senior secured indenture. The redemption price will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

We will mail notice of any redemption at least 30 days but not more than 60 days before the redemption date to each registered holder of the senior secured notes to be redeemed, and, if less than all senior secured notes are to be redeemed, the particular senior secured notes to be redeemed will be selected by the trustee in such manner as it shall deem appropriate and fair. Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the senior secured notes or portions thereof called for redemption.

Any notice of redemption at our option may state that such redemption will be conditional upon receipt by the trustee, on or prior to the redemption date, of money sufficient to pay the principal of and premium, if any, and interest on, such senior secured notes and that if such money has not been so received, such notice will be of no force and effect and we will not be required to redeem such senior secured notes.

*“Adjusted Treasury Rate”* means, with respect to any redemption date, the rate per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

*“Comparable Treasury Issue”* means the U.S. Treasury security selected by the Reference Treasury Dealer as having a maturity comparable to the remaining term of the senior secured notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such senior secured notes.

*“Comparable Treasury Price”* means, with respect to any redemption date, (A) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or (B) if the trustee obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations, or (C) if only one Reference Treasury Dealer Quotation is received, such quotation.

*“Reference Treasury Dealer”* means (A) Deutsche Bank Securities Inc., J.P. Morgan Securities LLC or UBS Securities LLC or their respective affiliates which are primary U.S. Government securities dealers in the United States (each, a “Primary Treasury Dealer”), and their respective successors; provided, however, that if any

of the foregoing shall cease to be a Primary Treasury Dealer, we will substitute therefor another Primary Treasury Dealer; and (B) any other Primary Treasury Dealer(s) selected by us.

*"Reference Treasury Dealer Quotations"* means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by us, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to us by such Reference Treasury Dealer at 5:00 p.m. (New York City time) on the third business day preceding such redemption date.

### **Ranking**

The senior secured notes will rank equally as to security with all of our other current and future secured debt that is directly or indirectly secured by the lien of the mortgage indenture, will be effectively senior to our unsecured and unsubordinated debt (with respect to the mortgaged property under the mortgage indenture as defined in the accompanying prospectus under "Description of First Mortgage Bonds and Mortgage Indenture—Priority and Security") and will rank senior in right of payment to our subordinated debt. We have other secured debt as described in the accompanying prospectus under "Description of Senior Secured Debt Securities—Priority and Security; Release Date." As of June 30, 2012, we had approximately \$1.3 billion in principal amount of mortgage bonds outstanding (of which approximately \$1.2 billion secured outstanding senior secured debt securities and approximately \$88 million secured environmental improvement and pollution control revenue indebtedness), approximately \$279 million in principal amount of other secured debt, approximately \$111 million in principal amount of unsubordinated and unsecured long-term debt outstanding and no unsubordinated and unsecured short-term debt outstanding.

### **Security**

Upon the issuance of the senior secured notes, we will simultaneously issue and deliver to the trustee under the senior secured indenture, as security for the senior secured notes, a series of our first mortgage bonds, which we refer to as the "senior note mortgage bonds." These senior note mortgage bonds will have the same interest rate, interest payment dates, stated maturity date and redemption provisions, and will be in the same aggregate principal amount, as the senior secured notes. The senior secured notes will be secured ratably with our first mortgage bonds in the collateral pledged to secure such bonds. In addition to the "mortgaged property" described under "Description of First Mortgage Bonds and Mortgage Indenture" in the accompanying prospectus, our first mortgage bonds will be secured by a first lien, subject to certain exceptions, on all of our franchises, permits, licenses, easements and rights of way that were owned by CIPS immediately prior to the Ameren Illinois Merger and are transferable and necessary for the operation and maintenance of the mortgaged property. The senior note mortgage bonds will be issued on the basis of retired bonds. At June 30, 2012, approximately \$2.7 billion principal amount of first mortgage bonds was issuable on the basis of property additions (taking into account the applicable earnings test described in the accompanying prospectus assuming an annual interest rate of 6%) and approximately \$765 million principal amount of first mortgage bonds was issuable on the basis of retired bonds.

Payment by us to the trustee under the senior secured indenture of principal of, premium, if any, and interest on the senior note mortgage bonds will be applied by the trustee to satisfy our obligations with respect to principal of, premium, if any, and interest on the senior secured notes. As provided in the mortgage indenture, our obligations to make payments with respect to the principal of, premium, if any, and interest on the senior note mortgage bonds shall be fully or partially, as the case may be, satisfied and discharged to the extent that, at the time that any such payment shall be due, the then due principal of, premium, if any, and interest on the senior secured notes shall have been fully or partially paid or there shall have been deposited with the trustee pursuant to the senior secured indenture sufficient available funds to fully or partially pay the then due principal of, premium, if any, and interest on the senior secured notes.

Under the senior secured indenture, the release date will be the date that all of our first mortgage bonds issued and outstanding under the mortgage indenture, other than outstanding senior note mortgage bonds (relating to the senior secured notes offered by this prospectus supplement or other series of senior secured debt

securities issued under the senior secured indenture) have been retired through payment, redemption or otherwise. However, notwithstanding anything to the contrary contained in the accompanying prospectus under "Description of Senior Secured Debt Securities—Priority and Security; Release Date," we have agreed that, so long as any of the senior secured notes are outstanding, we will not permit such release date to occur.

### **Global Securities and Book-Entry System**

The senior secured notes will be in book-entry form, will be represented by one or more permanent global certificates in fully registered form without interest coupons and will be deposited with the trustee as custodian for DTC and registered in the name of Cede & Co. or another nominee designated by DTC. Holders of senior secured notes may elect to hold interests in a global security through DTC, Clearstream Banking, *société anonyme* ("Clearstream"), or Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear"), if they are participants of such systems, or indirectly through organizations which are participants in such systems. Clearstream and Euroclear will hold interests on behalf of their participants through customers' securities accounts in Clearstream's and Euroclear's names on the books of their respective depositaries, which in turn will hold such interests in customers' securities accounts in the depositaries' names on DTC's books.

We will issue senior secured notes in certificated form, referred to below as the certificated senior secured notes, to DTC for owners of beneficial interests in a global security if:

- DTC notifies us that it is unwilling or unable to continue as depositary and we are unable to locate a qualified successor within 90 days or if at any time DTC, or any successor depositary, ceases to be a "clearing agency" under the Securities Exchange Act of 1934;
- we decide in our sole discretion to terminate the use of the book-entry system for the senior secured notes through DTC; or
- an event of default relating to the senior secured notes occurs.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds and provides asset servicing for U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The DTC rules applicable to its Participants are on file with the SEC.

Clearstream is incorporated under the laws of Luxembourg as a professional depositary. Clearstream holds securities for its participating organizations ("Clearstream Participants") and facilitates the clearance and settlement of securities transactions between Clearstream Participants through electronic book-entry changes in accounts of Clearstream Participants, thereby eliminating the need for physical movement of certificates. Clearstream provides to Clearstream Participants among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream

interfaces with domestic markets in several countries. As a registered bank in Luxembourg, Clearstream is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector, also known as *Commission de Surveillance du Secteur Financier*. Clearstream Participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations and may include the underwriters. Indirect access to Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream Participant, either directly or indirectly. Distributions with respect to interests in the senior secured notes held beneficially through Clearstream will be credited to cash accounts of Clearstream Participants in accordance with its rules and procedures.

Euroclear was created in 1968 to hold securities for participants of Euroclear ("Euroclear Participants") and to clear and settle transactions between Euroclear Participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear provides various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V. ("Euroclear Operator"). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator. Euroclear Participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the underwriters. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly. Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the terms and conditions governing use of Euroclear and the related operating procedures of Euroclear, and applicable Belgian law, which we refer to collectively as the Terms and Conditions. The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear Participants and has no records of or relationship with persons holding through Euroclear Participants.

Euroclear advises that investors that acquire, hold and transfer interests in the senior secured notes by book-entry through accounts with the Euroclear Operator or any other securities intermediary are subject to the laws and contractual provisions governing their relationship with their intermediary, as well as the laws and contractual provisions governing the relationship between such an intermediary and each other intermediary, if any, standing between themselves and the global securities.

Purchases of global securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the global securities on DTC's records. The ownership interest of each actual purchaser of each security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records and Clearstream and Euroclear will credit on their book-entry registration and transfer systems the number of senior secured notes sold to certain non-U.S. persons to the account of institutions that have accounts with Euroclear, Clearstream or their respective nominee participants. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which the Beneficial Owner entered into the transaction.

Title to book-entry interests in the senior secured notes will pass by book-entry registration of the transfer within the records of Clearstream, Euroclear or DTC, as the case may be, in accordance with their respective procedures. Book-entry interests in the senior secured notes may be transferred within Clearstream and within Euroclear and between Clearstream and Euroclear in accordance with procedures established for these purposes by Clearstream and Euroclear. Book-entry interests in the senior secured notes may be transferred within DTC in accordance with procedures established for this purpose by DTC. Transfers of book-entry interests in the senior secured notes among Clearstream and Euroclear and DTC may be effected in accordance with procedures established for this purpose by Clearstream, Euroclear and DTC.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the securities unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy (the "Omnibus Proxy") to us as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal, premium, if any, and interest on the global securities will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the trustee or agent on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Direct Participants and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participants and not of DTC, the trustee or agent for such securities or us, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, interest and redemption proceeds, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the trustee, agent and us, disbursement of such payments to Direct Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of Direct Participants and Indirect Participants.

The laws of some states require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests in a global security to those persons may be limited. In addition, because DTC can act only on behalf of Direct Participants, which, in turn, act on behalf of Indirect Participants and certain banks, the ability of a person having a beneficial interest in a global security to pledge that interest to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of that interest, may be affected by the lack of a physical certificate evidencing that interest.

Initial settlement for the senior secured notes will be made in immediately available funds. Secondary market trading between DTC Participants will occur in the ordinary way in accordance with DTC's rules and will be settled in immediately available funds using DTC's same-day funds settlement system. Secondary market trading between Clearstream Participants and/or Euroclear Participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream and Euroclear, as applicable.

Cross-market transfers between persons holding directly or indirectly through DTC on the one hand, and directly or indirectly through Clearstream Participants or Euroclear Participants, on the other, will be effected through DTC in accordance with DTC's rules; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines, in European time.

Because of time-zone differences, credits of the senior secured notes received in Clearstream or Euroclear as a result of a transaction with a DTC Participant will be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Such credits or any transactions in such senior secured notes settled during such processing will be reported to the relevant Clearstream Participant or Euroclear Participant on such business day. Cash received in Clearstream or Euroclear as a result of sales of the senior secured notes by or through a Clearstream Participant or a Euroclear Participant to a DTC Participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the business day following settlement in DTC.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of the senior secured notes among participants of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be changed or discontinued at any time.

The information in this section has been obtained from sources that we believe to be reliable, but neither we nor the underwriters take any responsibility for the accuracy thereof.

**None of the trustee, us, the underwriters or any agent for payment on or registration of transfer or exchange of any global security will have any responsibility or liability for any aspect of the records relating to or payments made on the account of beneficial interests in such global security or for maintaining, supervising or reviewing any records relating to such beneficial interests.**

#### **Additional Information**

See "Description of Senior Secured Debt Securities" and "Description of First Mortgage Bonds and Mortgage Indenture" in the accompanying prospectus for additional important information about the senior secured notes and the related senior note mortgage bonds. That information includes additional information about the terms of the senior secured notes and the related senior note mortgage bonds, including security and the lien of the mortgage indenture, general information about the senior secured indenture, the mortgage indenture and the trustees, a description of certain restrictions and covenants contained in the senior secured indenture and the mortgage indenture and a description of events of default under the senior secured indenture and the mortgage indenture.

#### **CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES**

The following discussion describes certain U.S. federal income tax consequences of the purchase, ownership and disposition of the senior secured notes. Unless otherwise stated, this discussion deals only with senior secured notes held as capital assets (generally, assets held for investment) by holders that purchase senior secured notes in this offering at the offering price. The tax treatment of a holder may vary depending on that holder's particular situation. This discussion does not address all of the tax consequences that may be relevant to holders that may be subject to special tax treatment such as, for example, insurance companies, broker-dealers, tax-exempt organizations, regulated investment companies, persons holding senior secured notes as part of a straddle, hedge, constructive sale, conversion transaction or other integrated investment, persons holding senior secured notes through a partnership or other pass-through entity or arrangement, U.S. holders whose functional currency is not the U.S. dollar, certain former U.S. citizens or long-term residents and persons subject to the alternative minimum tax. In addition, this discussion does not address any aspects of state, local, or foreign tax laws. This discussion is based on the U.S. federal income tax laws, regulations, rulings and decisions in effect as of the date of this prospectus supplement, which are subject to change or differing interpretations, possibly on a retroactive basis. You should consult your own tax advisor as to the particular tax consequences to you of the purchase, ownership and disposition of the senior secured notes, including the application and effect of the U.S. federal, state and local tax laws and foreign tax laws.

If a partnership (including for this purpose any entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds a senior secured note, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and upon the activities of the partnership. A holder of a senior secured note that is a partnership and any partners in such partnership should consult their own tax advisors.

We have determined the likelihood is remote that we will redeem senior secured notes in circumstances in which the redemption amount payable to holders would exceed 100% of the principal amount of the senior secured notes to be redeemed plus accrued and unpaid interest. Our determination regarding such likelihood is

not binding on the Internal Revenue Service (the "IRS"). Given our determination, we do not intend to treat the senior secured notes as contingent payment debt instruments for U.S. federal income tax purposes. If the IRS or a court were to take a contrary position, the senior secured notes could be subject to U.S. federal income tax rules governing contingent payment debt instruments, in which case the amount and timing of income inclusions with respect to the senior secured notes and the character of income recognized on a sale, exchange or redemption of a senior secured note, could differ materially and adversely from what is described below. The remainder of this discussion assumes that the senior secured notes will not be subject to the contingent payment debt instrument rules.

## **U.S. Holders**

For purposes of this discussion, the term "U.S. holder" means a beneficial owner of a senior secured note that is, for U.S. federal income tax purposes:

- an individual citizen or resident of the United States;
- a legal entity (1) created or organized in or under the laws of the United States, any state in the United States or the District of Columbia and (2) treated as a corporation for U.S. federal income tax purposes;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust if (1) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (2) the trust has in effect a valid election to be treated as a domestic trust for U.S. federal income tax purposes.

### *Taxation of Stated Interest on the Senior Secured Notes*

Generally, payments of stated interest on a senior secured note will be includible in your gross income and taxable as ordinary income for U.S. federal income tax purposes at the time such interest is paid or accrued in accordance with your regular method of tax accounting.

### *Sale, Exchange, Redemption or Retirement of a Senior Secured Note*

You generally will recognize capital gain or loss upon a sale, exchange, redemption or retirement of a senior secured note measured by the difference, if any, between (i) the amount of cash and the fair market value of any property received (except to the extent that the cash or other property received in respect of a senior secured note is attributable to the payment of accrued interest on the senior secured note, which amount will be treated as a payment of interest) and (ii) your adjusted tax basis in the senior secured note. The gain or loss will be long-term capital gain or loss if the senior secured note has been held for more than one year at the time of the sale, exchange or retirement. Long-term capital gains of non-corporate U.S. holders are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations. A U.S. holder's initial basis in a senior secured note generally will be the amount paid for the senior secured note.

### *Medicare Tax*

Beginning in 2013, certain U.S. holders that are individuals, estates or trusts will be subject to a 3.8% tax on all or a portion of their "net investment income," which may include all or a portion of their interest income and net gains from the disposition of the senior secured notes. Each U.S. holder that is an individual, estate or trust should consult its tax advisors regarding the applicability of this Medicare tax to its income and gains in respect of its investment in the senior secured notes.

### *Information Reporting and Backup Withholding*

A U.S. holder may be subject to information reporting and, under certain circumstances, "backup withholding" at the current rate of 28% with respect to certain "reportable payments," including interest on or principal (and premium, if any) of a senior secured note and the gross proceeds from a disposition of a senior secured note.

Information reporting and backup withholding will not apply with respect to payments made to "exempt recipients" (such as corporations and tax-exempt organizations) provided, if requested, their exemptions from backup withholding are properly established.

Information reporting will generally apply to reportable payments to U.S. holders that are not exempt recipients (such as individuals). In addition, backup withholding will apply if the holder, among other things, (i) fails to furnish a social security number or other taxpayer identification number ("TIN") certified under penalties of perjury within a reasonable time after the request therefor, (ii) furnishes an incorrect TIN, (iii) fails to properly report the receipt of interest or dividends or (iv) under certain circumstances, fails to provide a certified statement, signed under penalties of perjury, that the TIN furnished is the correct number and that the holder is not subject to backup withholding. A holder that does not provide its correct TIN also may be subject to penalties imposed by the IRS.

Any amounts withheld under the backup withholding rules from a payment to a U.S. holder generally will be allowed as a refund or as a credit against that holder's U.S. federal income tax liability, provided the requisite procedures are followed.

### **Non-U.S. Holders**

The following discussion applies to you if you are a beneficial owner of a senior secured note other than a U.S. holder as defined above or a partnership or other entity or arrangement treated as a partnership for U.S. federal income tax purposes (a "non-U.S. holder"). Special rules may apply to you or your shareholders if you are a "controlled foreign corporation" or "passive foreign investment company." You should consult your own tax advisor to determine the U.S. federal, state, local and other tax consequences that may be relevant to you in your particular circumstances.

Subject to the discussion below under "Legislation Relating to Foreign Accounts," no withholding of U.S. federal income tax will apply to interest paid on a senior secured note to a non-U.S. holder under the "portfolio interest exemption," provided that:

- the interest is not effectively connected with the non-U.S. holder's conduct of a trade or business in the United States;
- the non-U.S. holder does not actually or constructively own 10% or more of the total combined voting power of all classes of our stock that are entitled to vote;
- the non-U.S. holder is not a controlled foreign corporation that is related directly or constructively to us through stock ownership; and
- the non-U.S. holder provides to the withholding agent, in accordance with specified procedures, a statement to the effect that that such non-U.S. holder is not a U.S. person (generally by providing a properly executed IRS Form W-8BEN).

If a non-U.S. holder cannot satisfy the requirements of the portfolio interest exemption described above, interest paid on the senior secured notes (including payments in respect of original issue discount, if any, on the senior secured notes) made to a non-U.S. holder will be subject to a 30% U.S. federal withholding tax, unless that non-U.S. holder provides the withholding agent with a properly executed statement (i) claiming an exemption

from or reduction of withholding under an applicable U.S. income tax treaty or (ii) stating that the interest is not subject to withholding tax because it is effectively connected with that non-U.S. holder's conduct of a trade or business in the United States.

If a non-U.S. holder is engaged in the conduct of a trade or business in the United States (or, if an applicable U.S. income tax treaty applies, if the non-U.S. holder maintains a permanent establishment within the United States) and the interest is effectively connected with the conduct of that trade or business (or, if an applicable U.S. income tax treaty applies, attributable to that permanent establishment), that non-U.S. holder will be subject to U.S. federal income tax on the interest on a net income basis in the same manner as if that non-U.S. holder were a U.S. holder. In addition, if such non-U.S. holder is a foreign corporation, it may also, under certain circumstances, be subject to an additional branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty.

Subject to the discussion below under "Legislation Relating to Foreign Accounts," any gain realized on the disposition of a senior secured note generally will not be subject to U.S. federal income tax unless:

- that gain is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States (or, if an applicable U.S. income tax treaty applies, is attributable to a permanent establishment maintained by the non-U.S. holder within the United States); or
- the non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met.

The amount of interest paid on the senior secured notes to non-U.S. holders generally must be reported annually to the IRS. These reporting requirements apply regardless of whether withholding was reduced or eliminated by any applicable income tax treaty. Copies of the information returns reflecting income in respect of the senior secured notes may also be made available to the tax authorities in the country in which the non-U.S. holder is a resident under the provisions of an applicable income tax treaty or information sharing agreement.

A non-U.S. holder will generally not be subject to additional information reporting or to backup withholding with respect to payments on the senior secured notes or to information reporting or backup withholding with respect to proceeds from the sale or other disposition of senior secured notes to or through a U.S. office of any broker, as long as the holder:

- has furnished to the payor or broker a valid IRS Form W-8BEN certifying, under penalties of perjury, the non-U.S. holder's status as a non-U.S. person;
- has furnished to the payor or broker other documentation upon which it may rely to treat the payments as made to a non-U.S. person in accordance with applicable U.S. Treasury regulations; or
- otherwise establishes an exemption.

The payment of the proceeds from a sale or other disposition of senior secured notes to or through a foreign office of a broker will generally not be subject to information reporting or backup withholding. However, a sale or disposition of senior secured notes will be subject to information reporting, but not backup withholding, if it is to or through a foreign office of a U.S. broker or a non-U.S. broker with certain enumerated connections with the United States unless the documentation requirements described above are met or the holder otherwise establishes an exemption.

Any amounts withheld under the backup withholding rules from a payment to a non-U.S. holder will be allowed as a credit against such holder's U.S. federal income tax liability, if any, or will otherwise be refundable, provided that the requisite procedures are followed and the proper information is filed with the IRS on a timely basis. Non-U.S. holders should consult their own tax advisors regarding their qualification for exemption from backup withholding and the procedure for obtaining such exemption, if applicable.

### **Legislation Relating to Foreign Accounts**

Recently enacted legislation generally imposes a withholding tax of 30% on interest income paid on a debt obligation and on the gross proceeds of a disposition of a debt obligation paid after December 31, 2012, to (i) a foreign financial institution (as a beneficial owner or as an intermediary), unless such institution enters into an agreement with the United States government to collect and provide to the United States tax authorities substantial information regarding United States account holders of such institution (which would include certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with United States owners), and (ii) a foreign entity that is not a financial institution (as a beneficial owner or as an intermediary), unless such entity provides the withholding agent with a certification identifying the substantial United States owners of the entity, which generally includes any U.S. person who directly or indirectly owns more than 10% of the entity. Under certain circumstances, a non-U.S. holder of senior secured notes might be eligible for a refund or credits of such taxes, and a non-U.S. holder might be required to file a U.S. federal income tax return to claim such refunds or credits. The IRS has since released transitional guidance indicating that it will not apply this new withholding tax (i) to interest income on a debt obligation that is paid on or before December 31, 2013, or (ii) to gross proceeds of a disposition of a debt obligation paid on or before December 31, 2014. This legislation generally does not apply to a debt obligation outstanding on March 18, 2012, (a "grandfathered obligation") unless such debt obligation undergoes a "significant modification" (within the meaning of section 1.1001-3 of the U.S. Treasury regulations) after such date. Under newly released proposed U.S. Treasury regulations, the aforementioned March 18, 2012, date for grandfathered obligations is extended until January 1, 2013; however, these regulations are currently only in proposed form and have yet to be finalized. Holders are encouraged to consult with their own tax advisors regarding the implications of this legislation on their investment in the senior secured notes.

**The U.S. federal income tax discussion set forth above is included for general information only and may not be applicable depending upon a holder's particular situation. Holders should consult their tax advisors regarding the tax consequences to them of the purchase, ownership and disposition of senior secured notes, including the tax consequences under state, local, foreign and other tax laws.**

## UNDERWRITING

### General

Subject to the terms and conditions set forth in an underwriting agreement, dated the date hereof, between us and the underwriters named below, we have agreed to sell to each of the underwriters, and each of the underwriters has severally agreed to purchase from us, the principal amount of senior secured notes set forth opposite its name below.

<u>Underwriter</u>	<u>Principal Amount</u>
Deutsche Bank Securities Inc. ....	\$ 84,000,000
J.P. Morgan Securities LLC .....	84,000,000
UBS Securities LLC .....	84,000,000
RBS Securities Inc. ....	64,000,000
Scotia Capital (USA) Inc. ....	64,000,000
Loop Capital Markets LLC .....	20,000,000
Total .....	<u>\$400,000,000</u>

The obligations of the underwriters, including their agreement to purchase senior secured notes from us, are several and not joint. The underwriting agreement provides that the obligations of the underwriters are subject to certain conditions and that the underwriters will be obligated to purchase all of the senior secured notes if any are purchased. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of the non-defaulting underwriter may be increased or the offering of senior secured notes may be terminated.

The underwriters have advised us that they propose to initially offer the senior secured notes to the public at the offering price appearing on the cover page of this prospectus supplement and may also offer the senior secured notes to dealers at a price that represents a concession not in excess of 0.400% of the principal amount of the senior secured notes. Any underwriter may allow, and any of these dealers may re-allow, a concession not in excess of 0.250% of the principal amount of the senior secured notes. After the initial offering of the senior secured notes, the underwriters may from time to time vary the offering price and other selling terms. The offering of the senior secured notes by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.

### New Issue

The senior secured notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the senior secured notes on any national securities exchange. The underwriters have advised us that they intend to make a market in the senior secured notes after the offering, although they are under no obligation to do so. The underwriters may discontinue any market-making activities at any time without any notice. We can give no assurance as to the liquidity of the trading market for the senior secured notes or that a public trading market for the senior secured notes will develop.

### Price Stabilization and Short Positions

In connection with the offering of the senior secured notes, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the senior secured notes. Specifically, the underwriters may overallocate in connection with the offering of the senior secured notes, creating a syndicate short position. In addition, the underwriters may bid for, and purchase, the senior secured notes in the open market to cover short positions or to stabilize the price of the senior secured notes. Finally, the underwriters may reclaim selling concessions allowed for distributing the senior secured notes in the offering, if the underwriters repurchase previously distributed senior secured notes in transactions to cover short positions, in stabilization transactions or otherwise. Any of these activities may stabilize or maintain the market prices of the senior secured notes above independent market levels. The underwriters are not required to engage in any of these activities, and may end any of them at any time without notice.

### **Expenses and Indemnification**

We estimate that our share of the total expenses of the offering, excluding underwriting discounts and commissions, will be approximately \$300,000.

We have agreed to indemnify the underwriters against, or contribute to payments that the underwriters may be required to make in respect of, certain liabilities, including liabilities under the Securities Act of 1933, as amended.

### **European Union**

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive, as defined below (each, a "Relevant Member State"), and with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date"), an offer to the public, as defined below, of senior secured notes may not be made in that Relevant Member State, except that an offer to the public in the Relevant Member State of any senior secured notes may, with effect from and including the Relevant Implementation Date, be made in that Relevant Member State:

(a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, as defined below, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the underwriters; or

(c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of senior secured notes referred to in (a) to (c) above shall require the publication by us or any underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement to a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any senior secured notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the senior secured notes to be offered so as to enable an investor to decide to purchase or subscribe to purchase the senior secured notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, and the expression "Prospectus Directive" means Directive 2003/71/EC (and the amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

### **United Kingdom**

The underwriters have informed us that they have only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "FSMA")) received by them in connection with the issue or sale of the senior secured notes in circumstances in which Section 21(1) of the FSMA does not apply to us; and they have complied and will comply with all applicable provisions of the FSMA with respect to anything done by them in relation to the senior secured notes in, from or otherwise involving the United Kingdom.

### **Relationships**

In the ordinary course of their respective businesses, the underwriters and/or their affiliates have engaged, and may in the future engage, in commercial banking or investment banking transactions with us and our affiliates for which they have received, and will in the future receive, customary compensation. Affiliates of

certain of the underwriters are lenders under our existing revolving credit facility, and J.P. Morgan Securities LLC, one of the joint book-running managers for this offering, is acting as the dealer manager in connection with the tender offer. Certain of the underwriters and their affiliates may own a portion of our debt securities subject to the tender offer, and may, therefore, receive a portion of the net proceeds from this offering.

#### **Settlement**

We expect to deliver the senior secured notes against payment for the senior secured notes on or about the date specified in the last paragraph of the cover page of this prospectus supplement, which will be the fifth business day following the date of the pricing of the senior secured notes. Under Rule 15c6-1 under the Securities Exchange Act of 1934, as amended, trades in the secondary market generally are required to settle in three business days, unless the parties to a trade expressly agree otherwise. Accordingly, purchasers who wish to trade senior secured notes on the date of pricing or the next succeeding business day will be required, by virtue of the fact that the senior secured notes are expected to initially settle in T+5, to specify alternative settlement arrangements to prevent a failed settlement.

## LEGAL MATTERS

The validity of the senior secured notes will be passed upon for us by Morgan, Lewis & Bockius, LLP, New York, New York. Certain legal matters will be passed upon for us by Gregory L. Nelson, Esq., our Senior Vice President, General Counsel and Secretary, and Craig W. Stensland, Esq., an Associate General Counsel of Ameren Services Company, an affiliate that provides legal and other professional services to us. Certain legal matters will be passed upon for the underwriters by Pillsbury Winthrop Shaw Pittman LLP, New York, New York. Pillsbury Winthrop Shaw Pittman LLP represents one of our affiliates from time to time in connection with various matters. All matters pertaining to our incorporation and all other matters of Illinois law relating to us will be passed upon only by Mr. Stensland. As to all matters based on the law of the State of Illinois, Morgan, Lewis & Bockius LLP will rely on the opinion of Mr. Stensland. As to all matters based on the law of the State of New York, Mr. Stensland will rely on the opinion of Morgan, Lewis & Bockius LLP.

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