

INGERSOLL RAND CO LTD
Form S-3ASR
August 13, 2009
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As filed with the Securities and Exchange Commission on August 13, 2009

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Ireland
Bermuda
Bermuda
Bermuda
(State or Other Jurisdiction of
Incorporation or Organization)

Ingersoll-Rand plc
Ingersoll-Rand Company Limited
Ingersoll-Rand International Holding Limited
Ingersoll-Rand Global Holding Company Limited
(Exact Name of Registrant as Specified in Its Charter)

98-0626632
75-2993910
N/A
N/A
(I.R.S. Employer
Identification Number)

Ingersoll-Rand plc
Ingersoll-Rand Company Limited
Ingersoll-Rand International Holding Limited
Ingersoll-Rand Global Holding Company Limited
c/o Ingersoll-Rand plc
170/175 Lakeview Dr.

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Airside Business Park

Swords, Co. Dublin Ireland

+(353)(0) 18707400

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrants Principal Executive Offices)

Patricia Nachtigal, Esq.

Senior Vice President and General Counsel,

c/o Ingersoll-Rand Company

One Centennial Avenue

Piscataway, New Jersey 08855

(73) 652-7000

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

With copies to:

John B. Tehan, Esq.

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Simpson Thacher & Bartlett LLP

425 Lexington Avenue

New York, New York 10017

(212) 455-2000

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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If this form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer

Non-accelerated filer (Do not check if a smaller reporting company)

Accelerated Filer

Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered (1)	Proposed maximum aggregate offering price (1)	Amount of registration fee (1)
Debt securities of Ingersoll-Rand plc			
Debt securities of Ingersoll-Rand Global Holding Company Limited			
Guarantees of Ingersoll-Rand plc (2)			
Guarantees of Ingersoll-Rand Company Limited (2)			
Guarantees of Ingersoll-Rand International Holding Limited (2)			
Guarantees of Ingersoll-Rand Global Holding Company Limited (2)			
Ordinary shares of Ingersoll-Rand plc			
Preferred shares of Ingersoll-Rand plc			
Depository shares of Ingersoll-Rand plc			
Share purchase contracts of Ingersoll-Rand plc			
Share purchase units of Ingersoll-Rand plc			
Warrants of Ingersoll-Rand plc			

- (1) An indeterminate amount of securities to be offered at indeterminate prices is being registered pursuant to this registration statement. The Registrants are deferring payment of the registration fee pursuant to Rule 456(b) under the Securities Act and are omitting this information in reliance on Rule 456(b) and Rule 457(r) under the Securities Act.
- (2) No separate consideration will be received for any guarantee of debt securities.

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PROSPECTUS

Ingersoll-Rand plc

Debt Securities

Guarantees of Debt Securities

Ordinary Shares

Preferred Shares

Depositary Shares

Share Purchase Contracts

Share Purchase Units

Warrants

Ingersoll-Rand Company Limited

Guarantees of Debt Securities

Ingersoll-Rand International Holding Limited

Guarantees of Debt Securities

Ingersoll-Rand Global Holding Company Limited

Debt Securities

Guarantees of Debt Securities

We may offer, issue and sell the types of securities set forth above from time to time, together or separately. This prospectus describes some of the general terms that may apply to these securities. We will provide a prospectus supplement each time we offer and issue any of these securities. The specific terms of any securities to be offered will be described in the related prospectus supplement. The prospectus supplement may also add, update or change information contained in this prospectus. You should read this prospectus and any applicable prospectus supplement carefully before making an investment decision.

We may offer and sell these securities to or through one or more underwriters, dealers and agents, or directly to purchasers, on a continuous or delayed basis. This prospectus may not be used to sell securities unless accompanied by a prospectus supplement.

Our ordinary shares are listed on the New York Stock Exchange under the trading symbol IR.

Investing in our securities involves risk. Please read Risk Factors on page 5 of this prospectus and the risk factors included in our periodic reports that we file with the Securities and Exchange Commission before you invest in our securities.

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

August 13, 2009

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You should rely only on the information contained in this prospectus, any prospectus supplement and those documents incorporated by reference herein or therein. We have not authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. This prospectus and any prospectus supplement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities or related guarantee offered by this prospectus and any prospectus supplement by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation. Neither the delivery of this prospectus, any prospectus supplement nor any sale made under it implies that there has been no change in our affairs or that the information in this prospectus is correct as of any date after the date of this prospectus.

As used in this prospectus and any prospectus supplement, Ingersoll Rand, we, our, us and the Company mean Ingersoll-Rand plc, an Irish company (IR plc), together with its consolidated subsidiaries, unless otherwise specified or the context otherwise requires.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement on Form S-3 that we filed with the Securities and Exchange Commission (the Commission or SEC), using a shelf registration process. Pursuant to this registration statement, we may offer, issue and sell securities as set forth on the cover page of this prospectus.

We may offer, issue and sell the securities from time to time, together or separately. This prospectus describes some of the general terms that may apply to these securities. We will provide a prospectus supplement each time we offer and issue any of these securities. The specific terms of any securities to be offered will be described in the related prospectus supplement. The prospectus supplement may also add, update or change information contained in this prospectus. If there is any inconsistency between the information in this prospectus and any prospectus supplement, you should rely on the information in the prospectus supplement. You should read this prospectus and any applicable prospectus supplement, together with the additional information described under the heading **Where You Can Find More Information**.

WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement on Form S-3 with the SEC. This prospectus is part of the registration statement and does not contain all the information in the registration statement on Form S-3. You will find additional information about us in the registration statement. Any statement made in this prospectus concerning a contract or other document of ours is not necessarily complete, and you should read the documents that are filed as exhibits to the registration statement or otherwise filed with the SEC for a more complete understanding of the document or matter. Each such statement is qualified in all respects by reference to the document to which it refers.

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC's website at <http://www.sec.gov> and on our corporate website at <http://www.ingersollrand.com>. Information on our website does not constitute part of this prospectus, and any references to this website or any other website are inactive textual references only. You may inspect without charge any documents filed by us at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may obtain copies of all or any part of these materials from the SEC upon the payment of certain fees prescribed by the SEC. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room.

Our ordinary shares are listed on the New York Stock Exchange (the NYSE) under the trading symbol **IR**. Our SEC filings are also available at the office of the NYSE located at 20 Broad Street, New York, New York 10005.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC permits us to incorporate by reference the information contained in documents we file with the SEC, which means that we can disclose important information to you by referring you to those documents rather than by including them in this prospectus. Information that is incorporated by reference is considered to be part of this prospectus and you should read the information with the same care that you read this prospectus. Later information that we file with the SEC will automatically update and supersede the information that is either contained, or incorporated by reference, in this prospectus, and will be considered to be a part of this prospectus from the date those documents are filed. We have filed with the SEC, and incorporate by reference in this prospectus, the following documents:

Annual Report on Form 10-K for the fiscal year ended December 31, 2008 (the 2008 Form 10-K);

Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2009 and June 30, 2009;

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Current Reports on Form 8-K filed with the SEC on January 8, 2009, February 10, 2009, February 19, 2009, March 5, 2009, March 6, 2009 (as amended by the Current Report on Form 8-K/A filed with the SEC on March 9, 2009), March 6, 2009 (as amended by the Current Report on Form 8-K/A filed with the SEC on March 9, 2009), March 31, 2009, April 6, 2009, May 18, 2009, June 3, 2009, June 8, 2009, June 12, 2009, July 6, 2009 and August 11, 2009;

Current Reports on Form 8-K/A filed with the SEC on August 11, 2008 (Item 9.01(a) only); and

Current Report on Form 8-K12B, filed with the SEC on July 1, 2009, which includes a description of our ordinary shares. All future filings that we make under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, until all the securities offered by this prospectus have been issued as described in this prospectus, are deemed incorporated into and part of this prospectus once filed. We are not, however, incorporating, in each case, any documents (or portions thereof) or information that we are deemed to furnish and not file in accordance with SEC rules. Any statement in this prospectus, in any prospectus supplement, or in any document incorporated by reference that is different from any statement contained in any later-filed document should be regarded as changed by that later statement. Once so changed, the earlier statement is no longer considered part of this prospectus or any prospectus supplement.

You may request by phone or in writing a copy of any of the materials incorporated (other than exhibits, unless the exhibits are themselves specifically incorporated) into this prospectus and we will provide to you these materials free of charge. Please make your request to Barbara A. Santoro, Secretary, c/o Ingersoll-Rand Company, One Centennial Avenue, Piscataway, New Jersey 08854, telephone (732) 652-7000.

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SUMMARY

*This summary highlights selected information included or incorporated by reference in this prospectus. This summary does not contain all of the information that you should consider before investing in our securities. You should read this entire prospectus, including the information incorporated by reference, before making an investment decision. See *Where You Can Find More Information* in this prospectus.*

Ingersoll-Rand plc

Ingersoll-Rand plc (IR plc), together with its consolidated subsidiaries, is a diversified, global company that provides products, services and solutions to enhance the quality and comfort of air in homes and buildings, transport and protect food and perishables, secure homes and commercial properties, and increase industrial productivity and efficiency. Our business segments consist of Air Conditioning Systems and Services, Climate Control Technologies, Industrial Technologies and Security Technologies, each with strong brands and leading positions within their respective markets. We generate revenue and cash primarily through the design, manufacture, sale and service of a diverse portfolio of industrial and commercial products that include well-recognized, premium brand names such as Club Car[®], Hussmann[®], Ingersoll-Rand[®], Schlage[®], Thermo King[®] and Trane[®].

Our Air Conditioning Systems and Services segment provides heating, ventilation and air conditioning (HVAC) systems that enhance the quality and comfort of the air in homes and buildings around the world. It offers customers a broad range of energy-efficient HVAC systems, dehumidifying and air cleaning products, service and parts support, advanced building controls as well as financing solutions under the Trane Inc. (Trane) and American Standard Heating and Air Conditioning brands. Our Climate Control Technologies segment provides equipment and services to manage controlled-temperature environments for food and other perishables throughout the world. Encompassing the transport and stationary refrigeration markets, this segment offers customers a broad range of products and solutions such as refrigerated display merchandisers, beverage coolers, auxiliary power units, walk-in storage coolers and freezers and transport temperature control units. Our Industrial Technologies segment provides products, services and solutions that enhance energy efficiency, productivity and operations. It offers our global customers a diverse and innovative range of products including compressed air systems, tools, pumps, fluid handling systems, golf and utility vehicles in addition to environmentally friendly micro turbines. Our Security Technologies segment is a leading global provider of products and services that make environments safe, secure and productive. The segment's market-leading solutions include electronic and biometric access control systems and software, locks and locksets, door closers, exit devices, steel doors and frames, portable security devices, decorative hardware, cabinet hardware as well as time, attendance and personnel scheduling systems. These products serve a wide range of markets including the commercial construction and residential housing market, healthcare, retail, maritime and transport industries as well as educational and governmental facilities.

Our products are distributed by a number of methods, which we believe are appropriate to the type of product. U.S. sales are made through branch sales offices and through distributors, dealers and large retailers across the country. Non-U.S. sales are made through numerous subsidiary sales and service companies with a supporting chain of distributors throughout the world. No material part of our business is dependent upon a single customer or a small group of customers; therefore, the loss of any one customer would not have a material adverse effect on our operations. We manufacture many of the components included in our products, which requires us to employ a wide variety of raw materials. Principal raw materials, such as steel, copper and aluminum, are purchased from a large number of independent sources around the world. We maintain extensive research and development facilities.

The principal executive office of IR plc is located at 170/175 Lakeview Dr., Airside Business Park, Swords, Co. Dublin, Ireland, telephone +(353) (0) 18707400.

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Ingersoll-Rand Company Limited

Ingersoll-Rand Company Limited (IR Limited), our predecessor issuer, was organized under the laws of the Bermuda in accordance with the Companies Act 1981 of Bermuda on August 8, 2001. On July 1, 2009, IR Limited completed a scheme of arrangement pursuant to which it became a direct and indirect wholly owned subsidiary of IR plc. IR Limited is the indirect parent of IR International and IR Global.

The principal executive office of IR Limited is located at 170/175 Lakeview Dr., Airside Business Park, Swords, Co. Dublin, Ireland, telephone +(353) (0) 18707300.

Ingersoll-Rand International Holding Limited

Ingersoll-Rand International Holding Limited (IR International), a Bermuda company organized in accordance with the Companies Act 1981 of Bermuda on February 12, 2009, is a holding company and an indirect, wholly owned subsidiary of IR plc. IR International is the parent of several subsidiaries, including IR Global.

The principal executive office of IR International is located at Canon s Court, 22 Victoria Street, Hamilton, HM12 Bermuda, telephone +(441) 295-2244.

Ingersoll-Rand Global Holding Company Limited

Ingersoll-Rand Global Holding Company Limited (IR Global), a Bermuda company organized in accordance with the Companies Act 1981 of Bermuda on March 15, 2002, is a holding company and an indirect, wholly owned subsidiary of IR plc. IR Global is parent to several subsidiaries, including Trane.

The principal executive office of IR Global is located at Canon s Court, 22 Victoria Street, Hamilton, HM12 Bermuda, telephone +(441) 295-2244.

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RISK FACTORS

Investment in any securities offered pursuant to this prospectus involves risks. Before acquiring any such securities, you should carefully consider the risk factors incorporated by reference to our most recent Annual Report on Form 10-K and each subsequently filed Quarterly Report on Form 10-Q, the other information contained or incorporated by reference in this prospectus, as updated by our subsequent filings under the Exchange Act, and the risk factors and other information contained in the applicable prospectus supplement.

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The following table sets forth our ratio of earnings to fixed charges for the five fiscal years ended December 31, 2008 and the six months ended June 30, 2009 and 2008.

	Six Months Ended		Years Ended December 31,				
	June 30,		2008	2007	2006	2005	2004
Ratio of earnings to fixed charges ⁽¹⁾	2.0	8.1	⁽²⁾	6.9	6.4	5.9	4.3

(1) For the purpose of computing the ratio of earnings to fixed charges, earnings consist of earnings from continuing operations before income taxes and fixed charges, proportionate share in the undistributed earnings (losses) of less than fifty-percent-owned affiliates (accounted for using the equity method), minority interests and capitalized interest. Fixed charges consist of interest (including capitalized interest), equity-linked securities charges, amortization of debt discount and expense and that portion (one-third) of rental expense deemed to be representative of an interest factor included therein.

(2) For the year ended December 31, 2008, our fixed charges exceeded our earnings by \$2,747.1 million.

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USE OF PROCEEDS

Except as may be otherwise set forth in the applicable prospectus supplement accompanying this prospectus, we plan to add the net proceeds we receive from sales of the securities offered by this prospectus to our general funds and to use the funds for general corporate purposes. These could include capital expenditures; the repayment of debt; investment in subsidiaries; additions to working capital; the repurchase, redemption or retirement of securities, including ordinary shares; acquisitions and other business opportunities.

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DESCRIPTION OF THE SENIOR DEBT SECURITIES

The following description of senior debt securities sets forth certain general terms and provisions of senior debt securities which may be offered hereunder. This summary does not contain all of the information that you may find useful.

As used herein, IR Parent refers to IR plc and its successors. Under this prospectus, senior debt securities issued by IR Parent or IR Global (as applicable, the Issuer) will be offered. The senior debt securities offered will be issued under a senior indenture (as supplemented, the senior indenture) to be entered into among IR plc, IR Limited, IR International, IR Global and Wells Fargo Bank, N.A., as trustee.

Senior debt securities issued by IR Parent may be guaranteed by certain subsidiaries of IR Parent, including IR Limited, IR International and/or IR Global, as may be specified in the applicable prospectus supplement. Senior debt securities issued by IR Global will be guaranteed by IR Parent and may also be guaranteed by certain other subsidiaries of IR Parent, including IR Limited and/or IR International, as may be specified in the applicable prospectus supplement. The particular terms of the senior debt securities offered will be described in the prospectus supplement relating to those senior debt securities.

The following description only summarizes the terms of the senior indenture and the senior debt securities. For more information you should read the senior indenture. In addition, the following description is qualified in all respects by reference to the actual text of the senior indenture and the forms of the senior debt securities.

General

IR Parent or IR Global may issue senior debt securities either separately, or together with, or upon the conversion of or in exchange for, other securities. The senior debt securities will be senior unsecured obligations issued in one or more series under the senior indenture.

The trustee for each series of senior debt securities will be Wells Fargo Bank, N.A., unless otherwise specified in the applicable prospectus supplement.

The senior indenture does not limit the amount of senior debt securities which may be issued and provides that senior debt securities may be issued thereunder from time to time in one or more series.

You should review the prospectus supplement for the following terms of the series of senior debt securities being offered:

the Issuer of such series of senior debt securities;

the designation, aggregate principal amount and authorized denominations of such series of senior debt securities;

the purchase price of such series of senior debt securities;

the date or dates on which such series of senior debt securities will mature;

the rate or rates per annum, if any (which may be fixed or variable), at which the senior debt securities of such series will bear interest or the method by which such rate or rates will be determined;

the dates on which the interest will be payable and the record dates for payment of interest, if any;

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the coin or currency in which payment of the principal of (and premium, if any, on) and interest, if any, on such series of senior debt securities will be payable;

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the terms of any mandatory or optional redemption (including any sinking fund) or any obligation of us to repurchase such series of senior debt securities;

whether such series of senior debt securities are to be issued in whole or in part in the form of one or more temporary or permanent global notes and, if so, the identity of the depository, if any, for such note or notes;

the terms, if any, upon which such series of senior debt securities may be convertible into or exchangeable for other securities;

whether such series of senior debt securities will be guaranteed by any person other than as identified in this prospectus;

any special tax implications of such series of senior debt securities;

any addition to or change or deletion of any event of default or any covenant specified in the senior indenture; and

any other additional provisions or specific terms which may be applicable to that series of senior debt securities.

Unless otherwise indicated in the prospectus supplement, the senior debt securities will be issued only in fully registered form without coupons in denominations of \$2,000 or multiples of \$1,000.

The senior debt securities may be issued as discounted senior debt securities (bearing no interest or interest at a rate which at the time of issuance is below market rates) to be sold at a substantial discount below their stated principal amount. Federal income tax consequences and other special considerations applicable to any of these discounted senior debt securities will be described in the applicable prospectus supplement.

The senior indenture provides that each holder of senior debt securities offered pursuant to this prospectus consents to the Issuer or any Guarantor (as defined in Guarantees below) applying to a court of competent jurisdiction for an order sanctioning, approving, consenting to or confirming a reduction in any of its share capital accounts including, without limitation, by re-characterizing any sum standing to the credit of a share premium account as a distributable reserve. The senior indenture provides that each holder agrees that the trustee, on behalf of the holder, is authorized and directed to give its consent to any such reduction.

Ranking of Senior Debt Securities

The senior debt securities will be unsecured unsubordinated obligations of the Issuer and will rank equally in right of payment with all existing and future unsecured and unsubordinated indebtedness of the Issuer of such series of senior debt securities. Because the senior debt securities will not be secured, they will be effectively subordinated to our existing and future secured indebtedness to the extent of the value of the collateral securing that indebtedness.

The senior debt securities will be structurally subordinated to all the liabilities of each subsidiary of IR Parent that is not a Guarantor. For a description of the guarantees, see Guarantee. The prospectus supplement relating to a series of senior debt securities will state whether such series of senior debt securities will be guaranteed by any person other than as identified in this prospectus.

Each of IR Global and IR Parent currently conduct substantially all of its operations through its subsidiaries and such subsidiaries generate substantially all of IR Global's and IR Parent's respective operating income and cash flow. As a result, each of IR Global and IR Parent is dependent upon distributions and advances from its subsidiaries as the principal source of funds necessary to meet its debt service obligations. Contractual provisions or laws, as well as the financial and operating requirements, may limit the ability of IR Global or IR Parent, as the case may be, to obtain cash from its subsidiaries to pay its debt service obligations, including cash payments on the senior debt securities. As a result, holders of senior debt securities will have a junior position to the claims of creditors of IR Global's and IR Parent's subsidiaries that are not Guarantors on their assets and earnings.

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Guarantees

Under this prospectus, senior debt securities issued by IR Parent or IR Global, as the case may be, will be offered. Senior debt securities issued by IR Parent may be guaranteed by certain subsidiaries of IR Parent, including IR Limited, IR International and/or IR Global, as may be specified in the applicable prospectus supplement. Senior debt securities issued by IR Global will be guaranteed by IR Parent and may also be guaranteed by certain other subsidiaries of IR Parent, including IR Limited and/or IR International, as may be specified in the applicable prospectus supplement. As used herein, in respect of a series of the senior debt securities, Guarantors mean, collectively, (a)(i) each person named as a Guarantor pursuant to the applicable prospectus supplement and (ii) IR Parent, in the case of senior debt securities issued by IR Global, in each case until such person ceases to be a Guarantor pursuant to the terms of the senior indenture, and (b) any successor company thereof that shall have become a Guarantor pursuant to the applicable provisions of the senior indenture.

In respect of each series of senior debt securities, the payment of the principal of (and premium, if any, on) and interest on those senior debt securities and all other amounts due under the senior indenture will be unconditionally guaranteed on an unsecured, unsubordinated basis by the Guarantors of such series. The guarantees of a series of senior debt securities will rank equally in right of payment with all of the unsecured and unsubordinated indebtedness of each Guarantor of such series.

The guarantees of the senior debt securities of any series will be structurally subordinated to all the liabilities of the subsidiaries of IR Parent that are not themselves Guarantors or the Issuer of such series.

The obligations of any Guarantor under its guarantee will be limited as necessary to prevent such guarantee from constituting a fraudulent conveyance or fraudulent transfer under applicable law.

Conversion and Exchange

The terms, if any, on which senior debt securities of any series are convertible into or exchangeable for ordinary shares, preferred shares or other senior debt securities will be set forth in the related prospectus supplement. The terms may include provisions for conversion or exchange, either mandatory, at the option of the holders, the Issuer or IR Parent.

Registration of Transfer and Exchange

Subject to the terms of the senior indenture and the limitations applicable to global securities, senior debt securities may be transferred or exchanged at the corporate trust office of the trustee or at any other office or agency maintained by the Issuer for that purpose. No service charge will be made for any registration of transfer or exchange of the senior debt securities, but the Issuer may require a payment by the holder to cover any tax or other governmental charge. The Issuer will not be required to register the transfer of or exchange senior debt securities of any series:

during a period beginning at the opening of business 15 days before the day of mailing of a notice of redemption of securities of that series selected for redemption; or

selected for redemption in whole or in part, except the unredeemed portion of any debt security being redeemed in part.

Payment

Unless otherwise indicated in the applicable prospectus supplement, principal, interest and any premium on the senior debt securities will be paid at the place or places that the Issuer will designate for such purposes. However, the Issuer, at its option, may make interest payments by check mailed to persons in whose names the senior debt securities are registered. Unless otherwise indicated in the applicable prospectus supplement, payment of interest on a debt security which is payable and is punctually paid or duly provided for on any interest payment date will be made to the person in whose name that debt security is registered at the close of business on the regular record date for that interest payment. The Issuer will pay the principal of (and premium, if any, on) registered senior debt securities only against surrender of those senior debt securities.

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Global Notes

The senior debt securities of a series may be issued in whole or in part in the form of one or more global notes that will be deposited with or on behalf of a depository located in the United States identified in the prospectus supplement relating to the applicable series.

The specific terms of the depository arrangement with respect to any senior debt securities of a series will be described in the prospectus supplement relating to the series. The following provisions are expected to apply to all depository arrangements.

Unless otherwise specified in an applicable prospectus supplement, senior debt securities which are to be represented by a global note to be deposited with or on behalf of a depository will be represented by a global note registered in the name of such depository or its nominee. Upon the issuance of a global note in registered form, the depository for the global note will credit, on its book-entry registration and transfer system, the principal amounts of the senior debt securities represented by the global note to the accounts of institutions that have accounts with the depository or its nominee (participants). The accounts to be credited shall be designated by the underwriters or agents of the senior debt securities or by the Issuer, if the senior debt securities are offered and sold directly by the Issuer. Ownership of beneficial interests in the global notes will be limited to participants or persons that may hold interests through participants. Ownership of beneficial interests by participants in the global notes will be shown on, and the transfer of that ownership interest will be effected only through, records maintained by the depository or its nominee for the global notes. Ownership of beneficial interests in global notes by persons that hold the beneficial interests through participants will be shown on, and the transfer of that ownership interest within such participant will be effected only through, records maintained by the participant.

So long as the depository for a global note in registered form, or its nominee, is the registered owner of the global note, the depository or the nominee, as the case may be, will be considered the sole owner or holder of the senior debt securities represented by the global note for all purposes under the senior indenture. Except as described below, owners of beneficial interests in the global notes will not be entitled to have senior debt securities of the series represented by the global notes registered in their names, will not receive or be entitled to receive physical delivery of senior debt securities of the series in definitive form and will not be considered the owners or holders thereof under the senior indenture.

Payment of principal of (and premium, if any, on) and interest, if any, on senior debt securities registered in the name of or held by a depository or its nominee will be made to the depository or its nominee, as the case may be, as the registered owner or the holder of the global note representing the senior debt securities. The Issuer will not, nor will the Guarantors, the trustee, any paying agent or the security registrar for the senior debt securities have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a global note for the senior debt securities or for maintaining, supervising or reviewing any records relating to the beneficial ownership interests.

It is expected that the depository for senior debt securities of a series, upon receipt of any payment of principal, premium or interest in respect of a permanent global note, will credit immediately participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the global note as shown on the records of the depository. It is also expected that payments by participants to owners of beneficial interests in the global note held through the participants will be governed by customary practices. Each person owning a beneficial interest in a global security must rely on the procedures of the depository (and, if such person is not a participant, on procedures of the participant through which such person owns its interest) to exercise any rights of a holder under the senior indenture.

A global note may not be transferred except as a whole by the depository for the global note to a nominee of the depository or by a nominee of the depository to the depository or another nominee of the depository or by the depository or any nominee to a successor of the depository or a nominee of the successor. If a depository for senior debt securities of a series is at any time unwilling or unable to continue as a depository and a successor

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depository is not appointed by us within ninety days, the Issuer will issue senior debt securities in definitive registered form in exchange for the global note or notes representing the senior debt securities. In addition, the Issuer may at any time and in its sole discretion determine not to have any senior debt securities in registered form represented by one or more global notes and, in that event, the Issuer will issue senior debt securities in definitive form in exchange for the global note or notes representing the senior debt securities.

Certain Covenants of the Senior Debt Securities

The senior debt securities will include the following covenants:

Limitation on Liens. Unless otherwise indicated in the prospectus supplement relating to a series of senior debt securities, IR Parent will not, and will not permit any restricted subsidiary to, create, assume or guarantee any indebtedness for money borrowed secured by any mortgage, lien, pledge, charge or other security interest or encumbrance of any kind (hereinafter referred to as a mortgage or mortgages) on any principal property of IR Parent or a restricted subsidiary or on any shares or funded indebtedness of a restricted subsidiary (whether such principal property, shares or funded indebtedness are now owned or hereafter acquired) without, in any such case, effectively providing concurrently with the creation, assumption or guaranteeing of such indebtedness that the senior debt securities (together, if IR Parent shall so determine, with any other indebtedness then or thereafter existing, created, assumed or guaranteed by IR Parent or such restricted subsidiary ranking equally with the senior debt securities) shall be secured equally and ratably with (or prior to) such indebtedness. The senior indenture excludes, however, from the foregoing any indebtedness secured by a mortgage (including any extension, renewal or replacement, or successive extensions, renewals or replacements, of any mortgage hereinafter specified or any indebtedness secured thereby, without increase of the principal of such indebtedness or expansion of the collateral securing such indebtedness):

- (1) on property, shares or funded indebtedness of any corporation existing at the time such corporation becomes a restricted subsidiary;
- (2) on property existing at the time of acquisition of such property by IR Parent or a restricted subsidiary, or to secure any indebtedness incurred for the purpose of financing the purchase price of such property or improvements or construction thereon which indebtedness is incurred by IR Parent or a restricted subsidiary prior to, at the time of or within 180 days after the later of such acquisition, the completion of such construction or the commencement of commercial operation of such property; provided, however, that in the case of any such acquisition, construction or improvement the mortgage shall not apply to any property previously owned by IR Parent or a restricted subsidiary, other than in the case of any such construction or improvement, any previously unimproved real property on which the property is constructed or the improvement is located;
- (3) on property, shares or funded indebtedness of a corporation existing at the time such corporation is merged into or consolidated with IR Parent or a restricted subsidiary, or at the time of a sale, lease or other disposition of the properties of a corporation as an entirety or substantially as an entirety to IR Parent or a restricted subsidiary;
- (4) on property of a restricted subsidiary to secure indebtedness of such restricted subsidiary to IR Parent or another restricted subsidiary;
- (5) on property of IR Parent or property of a restricted subsidiary in favor of the United States or any State thereof, Bermuda or the jurisdiction of organization of IR Parent, or any department, agency or instrumentality or political subdivision of the United States or any State thereof, Bermuda or the jurisdiction of organization of IR Parent, to secure partial, progress, advance or other payments pursuant to any contract or statute or to secure any indebtedness incurred for the purpose of financing all or any part of the purchase price or the cost of constructing or improving the property subject to such mortgage; or
- (6) existing at the date of the senior indenture;

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provided, however, that any mortgage permitted by any of clauses (1), (2), (3) and (5) above shall not extend to or cover any property of IR Parent or such restricted subsidiary, as the case may be, other than the property specified in such clauses and improvements to that property.

Notwithstanding the above, IR Parent or any restricted subsidiary may create, assume or guarantee secured indebtedness for money borrowed which would otherwise be prohibited in an aggregate amount which, together with all other such indebtedness for money borrowed of IR Parent and its restricted subsidiaries and the attributable debt of IR Parent and its restricted subsidiaries in respect of sale and leaseback transactions (as defined below) existing at such time (other than sale and leaseback transactions entered into prior to the date of the senior indenture and sale and leaseback transactions the proceeds of which have been applied in accordance with the senior indenture), does not at the time exceed 10% of the shareholders' equity in IR Parent and its consolidated subsidiaries, as shown on the audited consolidated balance sheet contained in the latest annual report to shareholders of IR Parent.

attributable debt means, as of any particular time, the then present value of the total net amount of rent required to be paid under such lease during the remaining term thereof (excluding any renewal term unless the renewal is at the option of the lessor) computed by discounting from the actual respective due dates to such date such total net amount of rent at the actual interest factor included in such rent, or, if such interest factor is not readily determinable, at the rate per annum borne by the initial series of the senior debt securities, except that if no interest is payable in respect of the initial series of the senior debt securities or if such rate is not fixed then at the rate of $8\frac{3}{8}\%$ per annum. The net amount of rent required to be paid for any such period shall be the aggregate amount of the rent payable by the lessee with respect to such period after excluding amounts required to be paid on account of, or measured or determined by, any variable factor, including, without limitation, the cost-of-living index and costs of maintenance and repairs, insurance, taxes, assessments, water rates and similar charges and after excluding any portion of rentals based on a percentage of sales made by the lessee. In the case of any lease which is terminable by the lessee upon the payment of a penalty, such net amount shall also include the amount of such penalty, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated;

shareholders' equity in IR Parent and its consolidated subsidiaries means the share capital, share premium, contributed surplus and retained earnings of IR Parent and its consolidated subsidiaries, excluding the cost of shares of IR Parent held by its affiliates, all as determined in accordance with U.S. GAAP; and

U.S. GAAP means generally accepted accounting principles in the United States (including, if applicable, International Financial Reporting Standards) as in effect from time to time.

Limitation on Sale and Leaseback Transactions. Unless otherwise indicated in the prospectus supplement relating to a series of senior debt securities, IR Parent will not, and will not permit any restricted subsidiary to, enter into any sale and leaseback transactions (which are defined in the senior indenture to exclude (i) leases expiring within three years of making, (ii) in the case of a restricted subsidiary, a lease to IR Parent or to another restricted subsidiary, and (iii) any lease of a part of a principal property which has been sold, which lease was made for use of such principal property in connection with the winding up or termination of the business conducted on such principal property), unless (a) IR Parent or such restricted subsidiary would be entitled to incur indebtedness secured by a mortgage on such principal property without equally and ratably securing the senior debt securities or (b) an amount equal to the fair value of the principal property so leased (as determined by the board of directors of IR Parent) is applied within 180 days of the effectiveness of the sale and leaseback transaction (i) to the retirement (other than by payment at maturity or pursuant to mandatory sinking, purchase or analogous fund or prepayment provision) of (x) the senior debt securities or (y) other funded indebtedness of IR Parent or any restricted subsidiary ranking on a parity with the senior debt securities, provided, however, that the amount to be applied to the retirement of any funded indebtedness as provided under this clause (i) shall be reduced by (A) the principal amount of any senior debt securities delivered within 180 days after such sale or transfer to the trustee for the senior debt securities of such series for retirement and cancellation and (B) the

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principal amount of other funded indebtedness ranking on parity with the senior debt securities voluntarily retired by IR Parent within 180 days after such sale or transfer; or (ii) to purchase, improve or construct principal properties, provided that if only a portion of such proceeds is designated as a credit against such purchase, improvement or construction, IR Parent shall apply an amount equal to the remainder as provided in (i) above.

Restrictions Upon Merger and Sales of Assets. The Issuer of any series of senior debt securities shall not consolidate, amalgamate or merge with or into any other corporation or corporations (whether or not affiliated with such Issuer) and such Issuer or its successor or successors shall not be a party or parties to successive consolidations, amalgamations or mergers and such Issuer shall not sell, convey or lease all or substantially all of its property to any other corporation (whether or not affiliated with such Issuer) authorized to acquire and operate the same, unless (i) upon any such consolidation, amalgamation, merger, sale, conveyance or lease, the due and punctual payment of the principal of (and premium, if any, on) and interest, if any, on all of the senior debt securities of such series, according to their tenor, and the due and punctual performance and observance of all of the covenants and conditions of the senior indenture to be performed by such Issuer shall be expressly assumed, by supplemental indenture reasonably satisfactory in form to the trustee for such series of the senior debt securities, executed and delivered to each such trustee by the corporation (if other than such Issuer) formed by such consolidation or amalgamation, or into which such Issuer shall have been merged, or by the corporation which shall have acquired or leased such property, and (ii) such corporation or company shall be a solvent corporation or company organized under the laws of the United States of America or a State thereof or the District of Columbia or Bermuda or of a member state of the European Union. Such Issuer will not so consolidate, amalgamate or merge, or make any such sale, lease or other disposition, and such Issuer will not permit any other corporation to merge into it, unless immediately after the proposed consolidation, amalgamation, merger, sale, lease or other disposition, and after giving effect thereto, no default in the performance or observance by such Issuer or such successor corporation, as the case may be, of any of the terms, covenants, agreements or conditions in respect of such series contained in the senior indenture shall have occurred and be continuing.

Each Guarantor, if any, of any series of senior debt securities shall not consolidate, amalgamate or merge with or into any other corporation or corporations (whether or not affiliated with such Guarantor) and such Guarantor and any successor or successors to such Guarantor shall not be a party or parties to successive consolidations, amalgamations or mergers and such Guarantor shall not sell, convey or lease all or substantially all of its property to any other corporation (whether or not affiliated with such Guarantor) authorized to acquire and operate the same, unless (i) upon any such consolidation, amalgamation, merger, sale, conveyance or lease, the performance of the obligations under the guarantee of such Guarantor, and the due and punctual performance and observance of all of the covenants and conditions of the senior indenture to be performed by such Guarantor shall be expressly assumed, by supplemental indenture reasonably satisfactory in form to the trustee for each series of the senior debt securities, executed and delivered to each such trustee by the corporation formed by such consolidation or amalgamation (if other than the Issuer or a Guarantor for such series), or into which such Guarantor shall have been merged, or by the corporation which shall have acquired or leased such property, and (ii) such corporation shall be a solvent corporation or company organized under the laws of the United States of America or a State thereof or the District of Columbia or Bermuda or of a member state of the European Union. Furthermore, such Guarantor will not so consolidate, amalgamate or merge, or make any such sale, lease or other disposition, and such Guarantor will not permit any other corporation to merge into it, unless immediately after the proposed consolidation, amalgamation, merger, sale, lease or other disposition, and after giving effect thereto, no default in the performance or observance by such Guarantor or the successor corporation to such Guarantor, as the case may be, of any of the terms, covenants, agreements or conditions in respect of such series contained in the senior indenture or such Guarantor's guarantee shall have occurred and be continuing.

If upon any such consolidation, amalgamation, merger, sale, conveyance or lease, any principal property or any shares or funded indebtedness of any restricted subsidiary would become subject to any mortgage (other than a mortgage to which such principal property or such shares or funded indebtedness of such restricted subsidiary may become subject pursuant to the terms of the senior indenture without equally and ratably securing the senior

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debt securities) (the *Triggering Mortgage*), IR Parent, prior to such consolidation, amalgamation, merger, sale, conveyance or lease, will secure, or cause to be secured, the due and punctual payment of the principal of (and premium, if any, on) and interest, if any, on the senior debt securities (together with, if IR Parent shall so determine, any other indebtedness or guarantee of IR Parent or such restricted subsidiary ranking equally with the senior debt securities) by a mortgage on such principal property or such shares of stock or funded indebtedness of such restricted subsidiary, the lien of which will rank prior to the lien of such *Triggering Mortgage*.

Certain Definitions. The term *funded indebtedness* means indebtedness created, assumed or guaranteed by a person for money borrowed which matures by its terms, or is renewable by the borrower to a date, more than one year after the date of its original creation, assumption or guarantee.

The term *principal property* means any manufacturing plant or other manufacturing facility of IR Parent or any restricted subsidiary, which plant or facility is located within the United States, except any such plant or facility which the board of directors of IR Parent by resolution declares is not of material importance to the total business conducted by IR Parent and its restricted subsidiaries.

The term *restricted subsidiary* means any subsidiary which owns a principal property excluding, however, any corporation the greater part of the operating assets of which are located, or the principal business of which is carried on, outside the United States. For the avoidance of doubt, IR Global is a restricted subsidiary.

The term *subsidiary* means any corporation of which at least a majority of the outstanding stock having voting power under ordinary circumstances to elect a majority of the board of directors of the corporation shall at the time be owned by IR Parent or by IR Parent and one or more subsidiaries or by one or more subsidiaries of IR Parent.

Events of Default

As to each series of senior debt securities, an event of default is defined in the senior indenture as being any:

default in payment of any interest on any senior debt security of such series when it becomes due and payable which continues for 30 days (subject to the deferral of any interest payment in the case of an extension period);

default in payment of any principal of (or premium, if any, on) any senior debt security of such series when due at its stated maturity date;

default in payment of any sinking fund installment, when and as due by the terms of a note of such series, and continuance of such default for a period of 30 days;

default in performance of any other covenant of the Issuer or any Guarantor of such series in the senior indenture (other than a covenant included solely for the benefit of senior debt securities of another series) which continues for 90 days after receipt of written notice;

certain events of bankruptcy, insolvency or reorganization relating to the Issuer of such series and, if the senior debt securities of that series are guaranteed by one or more Guarantors, certain events of bankruptcy, insolvency or reorganization relating to any such Guarantors; or

other events of default specified in or pursuant to a board resolution or officer's certificate or in a supplemental indenture.

The senior indenture provides that the trustee may withhold notice to the holders of senior debt securities of such series of any default (except in payment of principal, premium, if any, or interest, if any, on such series or in payment of any sinking fund installment on such series) if the trustee considers it is in the interest of such holders to do so.

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Holders of the senior debt securities of any series may not enforce the senior indenture or the senior debt securities of such series except as provided in the senior indenture. In case an event of default (other than a default resulting from bankruptcy, insolvency or reorganization) shall occur and be continuing with respect to the senior debt securities of any series, the trustee or the holders of not less than 25% in aggregate principal amount of the senior debt securities then outstanding of that series may declare the principal amount on all the senior debt securities of such series (or, if the senior debt securities of that series were issued as discounted senior debt securities, such portion of the principal as may be specified in the terms of that series) to be due and payable. If an event of default results from bankruptcy, insolvency or reorganization, the principal amount of all the senior debt securities of that series (or, if the senior debt securities of that series were issued as discounted senior debt securities, such portion of the principal as may be specified in the terms of that series) will automatically become due and payable. Any event of default with respect to the senior debt securities of any series (except defaults in payment of principal of (or premium, if any, on) or interest, if any, on the senior debt securities of such series or a default in respect of a covenant or provision that cannot be modified without the consent of the holder of each outstanding security of such series) may be waived by the holders of at least a majority in aggregate principal amount of the senior debt securities of that series then outstanding.

Subject to the provisions of the senior indenture relating to the duties of the trustee in case an event of default shall occur and be continuing, the trustee is under no obligation to exercise any of the rights or powers under such senior indenture at the request, order or direction of any of the holders of senior debt securities, unless such holders shall have offered to the trustee security or indemnity reasonably satisfactory to it. Subject to such provisions for the indemnification of the trustee and certain limitations contained in the senior indenture, the holders of a majority in principal amount of the senior debt securities of any series then outstanding shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee, with respect to the senior debt securities of such series. In respect of each series of senior debt securities, IR Parent is required annually to deliver to the trustee an officer's certificate stating whether or not the signers have knowledge of any default in the performance by each of the Issuer and the Guarantors of the covenants of the senior indenture. In addition, promptly (and in any event within 5 business days) upon IR Parent becoming aware of the occurrence of any default or event of default in respect of any series of senior debt securities, IR Parent is required to deliver to the trustee an officer's certificate setting forth the details of such default or event of default and the actions which IR Parent, the Issuer and the Guarantors propose to take with respect to such default or event of default.

Discharge

The senior indenture with respect to the senior debt securities of any series may be discharged (with the exception of specified provisions as provided in the senior indenture) when the Issuer requests such discharge in writing accompanied by an officer's certificate and an opinion of counsel, in each case stating that all conditions precedent to discharge under the senior indenture have been satisfied and either:

- (A) all senior debt securities, with the exceptions provided for in the senior indenture, of that series have been delivered to the trustee for cancellation; or
- (B) all senior debt securities of that series not theretofore delivered to the trustee for cancellation have (1) become due and payable; (2) will become due and payable at their stated maturity within one year; (3) are to be called for redemption within one year; or (4) been deemed paid and discharged pursuant to the terms of the senior indenture;

and the Issuer has deposited or caused to be deposited with the trustee in trust an amount of (a) money, or (b) in the case of clauses (B)(2) and (B)(3), (I) U.S. government obligations which through the payment of interest and principal in respect thereof in accordance with their terms will provide not later than one day before the stated maturity or redemption date, as the case may be, money in an amount or (II) a combination of money or U.S. government obligations as provided in (I) above, in each case sufficient to pay and discharge the entire indebtedness on such senior debt securities not theretofore delivered to the trustee for cancellation, for principal, premium, if any, and interest, if any, to the date of such deposit in the case of senior debt securities which have become due and payable or to the stated maturity or redemption date, as the case may be.

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Defeasance

The senior indenture provides that the Issuer may discharge the entire indebtedness of all outstanding senior debt securities of a series and the provisions of the senior indenture as they relate to such senior debt securities will no longer be in effect in respect of the Issuer and the Guarantors (with the exception of specified provisions as provided in the senior indenture) if the Issuer deposits or causes to be deposited with the trustee, in trust, money, or U.S. government obligations, or a combination thereof, which, through the payment of interest thereon and principal thereof in accordance with their terms, will provide money, in an amount sufficient to pay all the principal (including any mandatory sinking fund payments, if any) of, premium, if any, and interest, if any, on the senior debt securities of such series on the dates such payments are due in accordance with the terms of such senior debt securities to their stated maturities or to and including a redemption date which has been irrevocably designated by the Issuer for redemption of such senior debt securities. To exercise any such option, the Issuer is required to meet specified conditions, including delivering to the trustee an opinion of counsel to the effect that the Issuer has received from, or there has been published by, the Internal Revenue Service a ruling to the effect that holders of the senior debt securities will not recognize income, gain or loss for federal income tax purposes as a result of such deposit, defeasance or discharge and that no event of default or default shall have occurred and be continuing.

The senior indenture provides that, at the election of the Issuer, the Issuer and the Guarantors need not comply with certain restrictive covenants of the senior indenture as to any series of senior debt securities (in the case of senior debt securities as described above under Certain Covenants of the Senior Debt Securities Limitation on Liens, Limitation on Sale and Leaseback Transactions and the third paragraph of Restrictions Upon Merger and Sales of Assets), upon the deposit by the Issuer with the trustee, in trust, of money, or U.S. government obligations, or a combination thereof, which, through the payment of interest thereon and principal thereof in accordance with their terms, will provide money, in an amount sufficient to pay all the principal (including any mandatory sinking fund payments, if any) of, premium, if any, and interest, if any, on the senior debt securities of such series on the dates such payments are due in accordance with the terms of such senior debt securities to their stated maturities or to and including a redemption date which has been irrevocably designated by us for redemption of such senior debt securities. To exercise any such option, the Issuer may be required to meet specified conditions, including delivering to the trustee an opinion of counsel to the effect that the deposit and related defeasance would not cause the holders of the senior debt securities to recognize income, gain or loss for federal income tax purposes.

Modification of the Indenture

The senior indenture contains provisions permitting the Issuer, the Guarantors and the trustee, with the consent of the holders of not less than a majority in principal amount of the outstanding senior debt securities of all series affected by such modification (voting as one class), to modify such indenture or the rights of the holders of the senior debt securities, except that no such modification shall, without the consent of the holder of each debt security so affected:

change the maturity of any senior debt security, or reduce the rate or extend the time of payment of interest thereon, or reduce the principal amount thereof (including, in the case of a discounted senior debt security, the amount payable thereon in the event of acceleration) or any redemption premium thereon, or change the place or medium or currency of payment of such senior debt security, or impair the right of any holder to institute suit for payment thereof, or release any Guarantor from any of its obligations under its guarantee otherwise than in accordance with the terms of the senior indenture;

reduce the percentage of senior debt securities, the consent of the holders of which is required for any such modification or for certain waivers or other modifications under such indenture; or

modify certain provisions of the senior indenture related to entry into a supplemental indenture with consent of holders, waiver of past defaults and waiver of certain covenants, except under certain circumstances specified in the senior indenture.

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The senior indenture contains provisions permitting the Issuer, the Guarantors and the trustee, without the consent of any holders, to modify the senior indenture for any of the following purposes:

to evidence the succession of another corporation to the Issuer or any Guarantor and the assumption by any such successor of the Issuer's covenants in the senior indenture and the senior debt securities or such Guarantor's covenants in the senior indenture and the guarantee, as the case may be;

to add to the Issuer's or any Guarantor's covenants for the benefit of the holders of all or any series of senior debt securities or to surrender any right or power conferred upon the Issuer or such Guarantor, as the case may be, in the senior indenture;

to add any additional events of defaults;

to add or change any provisions of the senior indenture to such extent as may be necessary to permit or facilitate the issuance of senior debt securities in bearer form;

to change or eliminate any provision of the senior indenture, provided that any such change or elimination shall become effective only when there is no debt security outstanding of any series created prior to such modification which is entitled to the benefit of such provision;

to secure the senior debt securities;

to establish the form or terms of any senior debt securities of any series as permitted by the senior indenture;

to establish the form or terms of a related guarantee of any senior debt securities as permitted by the senior indenture;

to evidence and provide for the acceptance of appointment under the senior indenture by a successor trustee with respect to the senior debt securities of one or more series and to add or change any of the provisions of the senior indenture as shall be necessary to provide for or facilitate the administration of the trusts under the senior indenture by more than one trustee;

to evidence and provide for the acceptance of appointment of a trustee other than Wells Fargo Bank, N.A. as trustee for a series of senior debt securities and to add or change any of the provisions of the senior indenture as shall be necessary to provide for or facilitate the administration of the trusts under the senior indenture by more than one trustee;

to provide for any rights of the holder of senior debt securities of any series to require the repurchase of senior debt securities of such series from the Issuer;

to cure any ambiguity, to correct or supplement any provision of the senior indenture which may be inconsistent with any other provision of the senior indenture, or to make any other provisions with respect to matters or questions arising under the senior indenture, provided such action shall not adversely affect the interests of the holders of senior debt securities of any series in any material respect;

to continue its qualification under the Trust Indenture Act of 1939 or as may be necessary or desirable in accordance with amendments to that Act; or

for any other reason specified in the applicable prospectus supplement.

Concerning the Trustee

We may from time to time maintain lines of credit and have other customary banking relationships with each trustee and its affiliated banks.

Governing Law

The senior indenture, the senior debt securities and the guarantees will be governed by, and construed in accordance with, the law of the State of New York.

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DESCRIPTION OF WARRANTS

The following description of warrants sets forth certain general terms and provisions of warrants. This summary does not contain all of the information that you may find useful. The particular terms of the warrants offered will be described in the prospectus supplement relating to those warrants. As used in this section only, we, our and us refers to IR plc.

General

We may issue warrants to purchase our securities or rights (including rights to receive payment in cash or securities based on the value, rate or price of one or more specified commodities, currencies or indices) or securities of other issuers or any combination of the foregoing. Warrants may be issued independently or together with any securities and may be attached to or separate from such securities. Each series of warrants will be issued under a separate warrant agreement to be entered into between us and a warrant agent we select. Unless otherwise specified in the applicable prospectus supplement, the warrant agreements and the warrants will be governed by and construed in accordance with the law of the State of New York.

You should review the applicable prospectus supplement for the specific terms of any warrants that may be offered, including:

the title of the warrants;

the aggregate number of the warrants;

the price or prices at which the warrants will be issued;

the currency or currencies, including composite currencies, in which the price of the warrants may be payable;

our securities or rights (including rights to receive payment in cash or securities based on the value, rate or price of one or more specified commodities, currencies or indices) or securities of other issuers or any combination of the foregoing purchasable upon exercise of such warrants;

the price at which and the currency or currencies, including composite currencies, in which the securities purchasable upon exercise of the warrants may be purchased;

the date on which the right to exercise the warrants will commence and the date on which that right will expire;

if applicable, the minimum or maximum amount of the warrants that may be exercised at any one time;

if applicable, the designation and terms of the securities with which the warrants are issued and the number of warrants issued with each such security;

if applicable, the date on and after which the warrants and the related securities will be separately transferable;

information with respect to book-entry procedures, if any;

if applicable, a discussion of certain United States federal income tax considerations; and

any other terms of the warrants, including terms, procedures and limitations relating to the exchange and exercise of the warrants.

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DESCRIPTION OF INGERSOLL-RAND SHARE CAPITAL

The following description of IR plc's share capital is a summary. This summary is not complete and is subject to the complete text of IR plc's memorandum and articles of association previously filed with the Commission and to the Irish Companies Acts 1963-2009 (the Irish Companies Acts). We encourage you to read those laws and documents carefully.

Capital Structure

Authorized Share Capital. The authorized share capital of IR plc is 40,000 and US\$1,175,010,000 divided into 40,000 ordinary shares with a nominal value of 1 per share, 1,175,000,000 ordinary shares with a nominal value of US\$1.00 per share and 10,000,000 preferred shares with a nominal value of US\$0.001 per share.

IR plc may issue shares subject to the maximum prescribed by its authorized share capital contained in its memorandum of association.

As a matter of Irish company law, the directors of a company may issue new ordinary or preferred shares without shareholder approval once authorized to do so by the articles of association of the company or by an ordinary resolution adopted by the shareholders at a general meeting. An ordinary resolution requires over 50% of the votes of a company's shareholders cast at a general meeting. The authority conferred can be granted for a maximum period of five years, at which point it must be renewed by the shareholders of the company by an ordinary resolution. Because of this requirement of Irish law, the articles of association of IR plc authorize the board of directors of IR plc to issue new ordinary or preferred shares without shareholder approval for a period of five years from the date of IR plc's incorporation.

The authorized share capital may be increased or reduced by way of an ordinary resolution of IR plc's shareholders. The shares comprising the authorized share capital of IR plc may be divided into shares of such par value as the resolution shall prescribe.

The rights and restrictions to which the ordinary shares will be subject will be prescribed in IR plc's articles of association. IR plc's articles of association entitle the board of directors, without shareholder approval, to determine the terms of the preferred shares issued by IR plc. The IR plc board of directors is authorized, without obtaining any vote or consent of the holders of any class or series of shares unless expressly provided by the terms of that class or series of shares, to provide from time to time for the issuance of other classes or series of preferred shares and to establish the characteristics of each class or series, including the number of shares, designations, relative voting rights, dividend rights, liquidation and other rights, redemption, repurchase or exchange rights and any other preferences and relative, participating, optional or other rights and limitations not inconsistent with applicable law.

Irish law does not recognize fractional shares held of record; accordingly, IR plc's articles of association do not provide for the issuance of fractional shares of IR plc, and the official Irish register of IR plc will not reflect any fractional shares.

Pre-emption Rights, Share Warrants and Share Options

Certain statutory pre-emption rights apply automatically in favor of IR plc's shareholders where shares in IR plc are to be issued for cash. However, IR plc has opted out of these pre-emption rights in its articles of association as permitted under Irish company law. Because Irish law requires this opt-out to be renewed every five years by a special resolution of the shareholders, IR plc's articles of association provide that this opt-out must be so renewed. A special resolution requires not less than 75% of the votes of IR plc's shareholders cast at a general meeting. If the opt-out is not renewed, shares issued for cash must be offered to pre-existing shareholders of IR plc pro rata to their existing shareholding before the shares can be issued to any new shareholders. The statutory pre-emption rights do not apply where shares are issued for non-cash consideration and do not apply to the issue of non-equity shares (that is, shares that have the right to participate only up to a specified amount in any income or capital distribution).

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The articles of association of IR plc provide that, subject to any shareholder approval requirement under any laws, regulations or the rules of any stock exchange to which IR plc is subject, the board is authorized, from time to time, in its discretion, to grant such persons, for such periods and upon such terms as the board deems advisable, options to purchase such number of shares of any class or classes or of any series of any class as the board may deem advisable, and to cause warrants or other appropriate instruments evidencing such options to be issued. The Irish Companies Acts provide that directors may issue share warrants or options without shareholder approval once authorized to do so by the articles of association or an ordinary resolution of shareholders. The board may issue shares upon exercise of warrants or options without shareholder approval or authorization.

IR plc is subject to the rules of the NYSE that require shareholder approval of certain share issuances.

Dividends

Under Irish law, dividends and distributions may only be made from distributable reserves. Distributable reserves, broadly, means the accumulated realized profits of IR plc less accumulated realized losses of IR plc. In addition, no distribution or dividend may be made unless the net assets of IR plc are equal to, or in excess of, the aggregate of IR plc's called up share capital plus undistributable reserves and the distribution does not reduce IR plc's net assets below such aggregate. Undistributable reserves include the share premium account, the capital redemption reserve fund and the amount by which IR plc's accumulated unrealized profits, so far as not previously utilized by any capitalization, exceed IR plc's accumulated unrealized losses, so far as not previously written off in a reduction or reorganization of capital.

The determination as to whether or not IR plc has sufficient distributable reserves to fund a dividend must be made by reference to relevant accounts of IR plc. The relevant accounts will be either the last set of unconsolidated annual audited financial statements or unaudited financial statements prepared in accordance with the Irish Companies Acts, which give a true and fair view of IR plc's unconsolidated financial position and accord with accepted accounting practice. The relevant accounts must be filed in the Companies Registration Office (the official public registry for companies in Ireland). The most recent relevant accounts of IR plc, dated July 23, 2009, show distributable reserves of approximately \$6,349.9 million.

The mechanism as to who declares a dividend and when a dividend shall become payable is governed by the articles of association of IR plc. IR plc's articles of association authorize the directors to declare such dividends as appear justified from the profits of IR plc without the approval of the shareholders at a general meeting. The board of directors may also recommend a dividend to be approved and declared by the shareholders at a general meeting. Although the shareholders may direct that the payment be made by distribution of assets, shares or cash, no dividend issued may exceed the amount recommended by the directors. The dividends can be declared and paid in the form of cash or non-cash assets.

The directors of IR plc may deduct from any dividend payable to any member all sums of money (if any) payable by such member to IR plc in relation to the shares of IR plc.

The directors of IR plc are also entitled to issue shares with preferred rights to participate in dividends declared by IR plc. The holders of such preferred shares may, depending on their terms, be entitled to claim arrears of a declared dividend out of subsequently declared dividends in priority to ordinary shareholders.

For information about the Irish tax issues relating to dividend payments, please see *Certain Tax Considerations* *Irish Tax Considerations* below.

Share Repurchases, Redemptions and Conversions

Overview

Article 3(d) of IR plc's articles of association provides that any ordinary share which IR plc has acquired or agreed to acquire shall be deemed to be a redeemable share. Accordingly, for Irish company law purposes, the repurchase of ordinary shares by IR plc will technically be effected as a redemption of those shares as described

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below under **Repurchases and Redemptions by IR plc** If the articles of association of IR plc did not contain Article 3(d), repurchases by IR plc would be subject to many of the same rules that apply to purchases of IR plc shares by subsidiaries described below under **Purchases by Subsidiaries of IR plc**, including the shareholder approval requirements described below and the requirement that any on-market purchases be effected on a recognized stock exchange. Except where otherwise noted, when we refer elsewhere in this proxy statement to repurchasing or buying back ordinary shares of IR plc, we are referring to the redemption of ordinary shares by IR plc pursuant to Article 3(d) of the articles of association or the purchase of ordinary shares of IR plc by a subsidiary of IR plc, in each case in accordance with the IR plc articles of association and Irish company law as described below.

Repurchases and Redemptions by IR plc

Under Irish law, a company can issue redeemable shares and redeem them out of distributable reserves (which are described above under **Dividends**) or the proceeds of a new issue of shares for that purpose. IR plc currently has distributable reserves which are calculated by reference to the relevant accounts of IR plc. The most recent relevant accounts of IR plc, dated July 23, 2009, show distributable reserves of approximately \$6,349.9 million. Please see **Dividends**. The issue of redeemable shares may only be made by IR plc where the nominal value of the issued share capital that is not redeemable is not less than 10% of the nominal value of the total issued share capital of IR plc. All redeemable shares must also be fully paid and the terms of redemption of the shares must provide for payment on redemption. Redeemable shares may, upon redemption, be cancelled or held in treasury. Shareholder approval will not be required to redeem IR plc shares.

The board of directors of IR plc will also be entitled to issue preferred shares which may be redeemed at the option of either IR plc or the shareholder, depending on the terms of such preferred shares. Please see **Capital Structure** **Authorized Share Capital** above for additional information on redeemable shares.

Repurchased and redeemed shares may be cancelled or held as treasury shares. The nominal value of treasury shares held by IR plc at any time must not exceed 10% of the nominal value of the issued share capital of IR plc. While IR plc holds shares as treasury shares, it cannot exercise any voting rights in respect of those shares. Treasury shares may be cancelled by IR plc or re-issued subject to certain conditions.

Purchases by Subsidiaries of IR plc

Under Irish law, it may be permissible for an Irish or non-Irish subsidiary to purchase shares of IR plc either on-market or off-market. A general authority of the shareholders of IR plc is required to allow a subsidiary of IR plc to make on-market purchases of IR plc shares; however, as long as this general authority has been granted, no specific shareholder authority for a particular on-market purchase by a subsidiary of IR plc shares is required. We expect that IR plc will seek such general authority, which must expire no later than 18 months after the date on which it was granted, at the first annual general meeting of IR plc in 2010 and at subsequent annual general meetings. In order for a subsidiary of IR plc to make an on-market purchase of IR plc's shares, such shares must be purchased on a recognized stock exchange. The NYSE, on which the shares of IR plc are listed, is not currently specified as a recognized stock exchange for this purpose by Irish company law. We understand, however, that it is likely that the Irish authorities will take appropriate steps in the near future to add the NYSE to the list of recognized stock exchanges. For an off-market purchase by a subsidiary of IR plc, the proposed purchase contract must be authorized by special resolution of the shareholders of IR plc before the contract is entered into. The person whose shares are to be bought back cannot vote in favor of the special resolution and, for at least 21 days prior to the special resolution, the purchase contract must be on display or must be available for inspection by shareholders at the registered office of IR plc.

The number of shares held by the subsidiaries of IR plc at any time will count as treasury shares and will be included in any calculation of the permitted treasury share threshold of 10% of the nominal value of the issued share capital of IR plc. While a subsidiary holds shares of IR plc, it cannot exercise any voting rights in respect of those shares. The acquisition of the shares of IR plc by a subsidiary must be funded out of distributable reserves of the subsidiary.

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Existing Share Repurchase Program

The board of directors of IR Limited has previously authorized a program to repurchase up to \$4 billion of its Class A common shares. The board of directors of IR plc elected to continue IR Limited's share repurchase program. As a result, IR plc and its subsidiaries are authorized to purchase shares up to an aggregate amount not to exceed \$2 billion, corresponding to the remaining authorization under the IR Limited share repurchase program at the time of such election by the board of directors of IR plc.

As noted above, because repurchases of IR plc shares by IR plc will technically be effected as a redemption of those shares pursuant to Article 3(d) of the articles of association, such repurchases may be made whether or not the NYSE is a recognized stock exchange and shareholder approval for such repurchases will not be required.

However, because purchases of IR plc shares by subsidiaries of IR plc may be made only on a recognized stock exchange and only if the required shareholder approval has been obtained, we expect that the shareholder authorization for purchases by subsidiaries of IR plc described above will be effective as of the date on which the NYSE becomes a recognized stock exchange for this purpose. This authorization will lapse on the date of the 2010 annual general meeting of IR plc, at which time we expect that we would seek shareholder approval to renew this authorization.

Bonus Shares

Under IR plc's articles of association, the board may resolve to capitalize any amount credited to any reserve or fund available for distribution or the share premium account of IR plc for issuance and distribution to shareholders as fully paid up bonus shares on the same basis of entitlement as would apply in respect of a dividend distribution.

Consolidation and Division; Subdivision

Under its articles of association, IR plc may by ordinary resolution consolidate and divide all or any of its share capital into shares of larger par value than its existing shares or subdivide its shares into smaller amounts than is fixed by its articles of association.

Reduction of Share Capital

IR plc may, by ordinary resolution, reduce its authorized share capital in any way. IR plc also may, by special resolution and subject to confirmation by the Irish High Court, reduce or cancel its issued share capital in any way. The creation of the distributable reserves referred to above in "Dividends" involved a reduction of share capital, namely the share premium account of IR plc, for purposes of Irish law.

General Meetings of Shareholders

IR plc will be required to hold an annual general meeting within eighteen months of incorporation and at intervals of no more than fifteen months thereafter, provided that an annual general meeting is held in each calendar year following the first annual general meeting, no more than nine months after IR plc's fiscal year-end. The first annual general meeting of IR plc may be held outside Ireland. Thereafter, any annual general meeting may be held outside Ireland if a resolution so authorizing has been passed at the preceding annual general meeting. Because of the fifteen-month requirement described in this paragraph, IR plc's articles of association include a provision reflecting this requirement of Irish law. At any annual general meeting, only such business shall be conducted as shall have been brought before the meeting (a) by or at the direction of the board or (b) by any member entitled to vote at such meeting who complies with the procedures set forth in the articles of association.

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Extraordinary general meetings of IR plc may be convened by (i) the chairman of the board of directors, (ii) the board of directors, (iii) on requisition of the shareholders holding not less than 10% of the paid up share capital of IR plc carrying voting rights or (iv) on requisition of IR plc's auditors. Extraordinary general meetings are generally held for the purposes of approving shareholder resolutions of IR plc as may be required from time to time. At any extraordinary general meeting only such business shall be conducted as is set forth in the notice thereof.

Notice of a general meeting must be given to all shareholders of IR plc and to the auditors of IR plc. The articles of association of IR plc provide that the maximum notice period is 60 days. The minimum notice periods are 21 days' notice in writing for an annual general meeting or an extraordinary general meeting to approve a special resolution and 14 days' notice in writing for any other extraordinary general meeting. Because of the 21-day and 14-day requirements described in this paragraph, IR plc's articles of association include provisions reflecting these requirements of Irish law.

In the case of an extraordinary general meeting convened by shareholders of IR plc, the proposed purpose of the meeting must be set out in the requisition notice. The requisition notice can contain any resolution. Upon receipt of this requisition notice, the board of directors has 21 days to convene a meeting of IR plc's shareholders to vote on the matters set out in the requisition notice. This meeting must be held within two months of the receipt of the requisition notice. If the board of directors does not convene the meeting within such 21-day period, the requisitioning shareholders, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, which meeting must be held within three months of the receipt of the requisition notice.

The only matters which must, as a matter of Irish company law, be transacted at an annual general meeting are the presentation of the annual accounts, balance sheet and reports of the directors and auditors, the appointment of auditors and the fixing of the auditor's remuneration (or delegation of same). If no resolution is made in respect of the reappointment of an auditor at an annual general meeting, the previous auditor will be deemed to have continued in office.

Directors are elected by the affirmative vote of a majority of the votes cast by shareholders at an annual general meeting and serve for one year terms. Any nominee for director who does not receive a majority of the votes cast is not elected to the board. However, because Irish law requires a minimum of two directors at all times, in the event that an election results in no director being elected, each of the two nominees receiving the greatest number of votes in favor of his or her election shall hold office until his or her successor shall be elected. In the event that an election results in only one director being elected, that director shall be elected and shall serve for a one year term, and the nominee receiving the greatest number of votes in favor of their election shall hold office until his or her successor shall be elected.

If the directors become aware that the net assets of IR plc are half or less of the amount of IR plc's called-up share capital, the directors of IR plc must convene an extraordinary general meeting of IR plc's shareholders not later than 28 days from the date that they learn of this fact. This meeting must be convened for the purposes of considering whether any, and if so what, measures should be taken to address the situation.

Voting

Where a poll is demanded at a general meeting, every shareholder shall have one vote for each ordinary share that he or she holds as of the record date for the meeting. Voting rights on a poll may be exercised by shareholders registered in IR plc's share register as of the record date for the meeting or by a duly appointed proxy of such a registered shareholder, which proxy need not be a shareholder. Where interests in shares are held by a nominee trust company, this company may exercise the rights of the beneficial holders on their behalf as their proxy. All proxies must be appointed in the manner prescribed by IR plc's articles of association. The articles of association of IR plc permit the appointment of proxies by the shareholders to be notified to IR plc electronically.

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IR plc's articles of association provide that all resolutions shall be decided by a show of hands unless a poll is demanded by the Chairman, by at least three shareholders as of the record date for the meeting or by any shareholder or shareholders holding not less than 10% of the total voting rights of IR plc as of the record date for the meeting. Each IR plc ordinary shareholder of record as of the record date for the meeting has one vote at a general meeting on a show of hands.

In accordance with the articles of association of IR plc, the directors of IR plc may from time to time cause IR plc to issue preferred shares. These preferred shares may have such voting rights as may be specified in the terms of such preferred shares (e.g., they may carry more votes per share than ordinary shares or may entitle their holders to a class vote on such matters as may be specified in the terms of the preferred shares).

Treasury shares will not be entitled to vote at general meetings of shareholders.

Irish company law requires special resolutions of the shareholders at a general meeting to approve certain matters. A special resolution requires not less than 75% of the votes cast of IR plc's shareholders at a general meeting. This may be contrasted with ordinary resolutions, which require a simple majority of the votes of IR plc's shareholders cast at a general meeting. Examples of matters requiring special resolutions include:

Amending the objects of IR plc;

Amending the articles of association of IR plc;

Approving the change of name of IR plc;

Authorizing the entering into of a guarantee or provision of security in connection with a loan, quasi-loan or credit transaction to a director or connected person;

Opting out of pre-emption rights on the issuance of new shares;

Re-registration of IR plc from a public limited company as a private company;

Variation of class rights attaching to classes of shares;

Purchase of own shares off-market;

The reduction of share capital;

Resolving that IR plc be wound up by the Irish courts;

Resolving in favor of a shareholders' voluntary winding-up;

Re-designation of shares into different share classes; and

Setting the re-issue price of treasury shares.

A scheme of arrangement with shareholders requires a court order from the Irish High Court and the approval of: (1) 75% of the voting shareholders by value; and (2) 50% in number of the voting shareholders, at a meeting called to approve the scheme.

Variation of Rights Attaching to a Class or Series of Shares

Variation of all or any special rights attached to any class or series of shares of IR plc is addressed in the articles of association of IR plc as well as the Irish Companies Acts. Any variation of class rights attaching to the issued shares of IR plc must be approved by a special resolution of the shareholders of the class or series affected.

Quorum for General Meetings

The presence, in person or by proxy, of the holders of a majority of the IR plc ordinary shares outstanding constitutes a quorum for the conduct of business. No business may take place at a general meeting of IR plc if a

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quorum is not present in person or by proxy. The board of directors has no authority to waive quorum requirements stipulated in the articles of association of IR plc. Abstentions and broker non-votes will be counted as present for purposes of determining whether there is a quorum in respect of the proposals.

Inspection of Books and Records

Under Irish law, shareholders have the right to: (i) receive a copy of the memorandum and articles of association of IR plc and any act of the Irish government which alters the memorandum of association of IR plc; (ii) inspect and obtain copies of the minutes of general meetings and resolutions of IR plc; (iii) inspect and receive a copy of the register of shareholders, register of directors and secretaries, register of directors interests and other statutory registers maintained by IR plc; (iv) receive copies of balance sheets and directors and auditors reports which have previously been sent to shareholders prior to an annual general meeting; and (v) receive balance sheets of a subsidiary company of IR plc which have previously been sent to shareholders prior to an annual general meeting for the preceding ten years. The auditors report will also have the right to inspect all books, records and vouchers of IR plc. The auditors report must be circulated to the shareholders with audited consolidated annual financial statements of IR plc prepared in accordance with International Financial Reporting Standards 21 days before the annual general meeting and must be read to the shareholders at IR plc's annual general meeting.

Acquisitions

There are a number of mechanisms for acquiring an Irish public limited company, including:

- (a) a court-approved scheme of arrangement under the Irish Companies Acts. A scheme of arrangement with shareholders requires a court order from the Irish High Court and the approval of: (1) 75% of the voting shareholders by value; and (2) 50% in number of the voting shareholders, at a meeting called to approve the scheme;
- (b) through a tender offer by a third party for all of the shares of IR plc. Where the holders of 80% or more of IR plc's shares have accepted an offer for their shares in IR plc, the remaining shareholders may be statutorily required to also transfer their shares. If the bidder does not exercise its squeeze out right, then the non-accepting shareholders also have a statutory right to require the bidder to acquire their shares on the same terms. If shares of IR plc were listed on the Irish Stock Exchange or another regulated stock exchange in the European Union (the EU), this threshold would be increased to 90%; and
- (c) it is also possible for IR plc to be acquired by way of a merger with an EU-incorporated public company under the EU Cross Border Merger Directive 2005/56. Such a merger must be approved by a special resolution. If IR plc is being merged with another EU public company under the EU Cross Border Merger Directive 2005/56 and the consideration payable to IR plc's shareholders is not all in the form of cash, IR plc's shareholders may be entitled to require their shares to be acquired at fair value.

Under Irish law, there is no requirement for a company's shareholders to approve a sale, lease or exchange of all or substantially all of a company's property and assets. However, IR plc's articles of association provide that the affirmative vote of the holders of a majority of the outstanding voting shares on the relevant record date is required to approve a sale, lease or exchange of all or substantially all of its property or assets.

Appraisal Rights

Generally, under Irish law, shareholders of an Irish company do not have appraisal rights. Under the EC (Cross-Border Mergers) Regulations 2008 governing the merger of an Irish public limited company and a company incorporated in the European Economic Area, a shareholder (a) who voted against the special resolution approving the merger or (b) of a company in which 90% of the shares is held by the other company the party to the merger of the transferor company has the right to request that the company acquire its shares for cash.

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Disclosure of Interests in Shares

Under the Irish Companies Acts, there is a notification requirement for shareholders who acquire or cease to be interested in 5% of the shares of an Irish public limited company. A shareholder of IR plc must therefore make such a notification to IR plc if as a result of a transaction the shareholder will be interested in 5% or more of the shares of IR plc; or if as a result of a transaction a shareholder who was interested in more than 5% of the shares of IR plc ceases to be so interested. Where a shareholder is interested in more than 5% of the shares of IR plc, any alteration of his or her interest that brings his or her total holding through the nearest whole percentage number, whether an increase or a reduction, must be notified to IR plc. The relevant percentage figure is calculated by reference to the aggregate par value of the shares in which the shareholder is interested as a proportion of the entire par value of IR plc's share capital. Where the percentage level of the shareholder's interest does not amount to a whole percentage this figure may be rounded down to the next whole number. All such disclosures should be notified to IR plc within 5 business days of the transaction or alteration of the shareholder's interests that gave rise to the requirement to notify. Where a person fails to comply with the notification requirements described above no right or interest of any kind whatsoever in respect of any shares in IR plc concerned, held by such person, shall be enforceable by such person, whether directly or indirectly, by action or legal proceeding. However, such person may apply to the court to have the rights attaching to the shares concerned reinstated.

In addition to the above disclosure requirement, IR plc, under the Irish Companies Acts, may by notice in writing require a person whom IR plc knows or has reasonable cause to believe to be, or at any time during the three years immediately preceding the date on which such notice is issued, to have been interested in shares comprised in IR plc's relevant share capital to: (a) indicate whether or not it is the case, and (b) where such person holds or has during that time held an interest in the shares of IR plc, to give such further information as may be required by IR plc including particulars of such person's own past or present interests in shares of IR plc. Any information given in response to the notice is required to be given in writing within such reasonable time as may be specified in the notice.

Where such a notice is served by IR plc on a person who is or was interested in shares of IR plc and that person fails to give IR plc any information required within the reasonable time specified, IR plc may apply to court for an order directing that the affected shares be subject to certain restrictions. Under the Irish Companies Acts, the restrictions that may be placed on the shares by the court are as follows:

- (a) any transfer of those shares, or in the case of unissued shares any transfer of the right to be issued with shares and any issue of shares, shall be void;
- (b) no voting rights shall be exercisable in respect of those shares;
- (c) no further shares shall be issued in right of those shares or in pursuance of any offer made to the holder of those shares; and
- (d) no payment shall be made of any sums due from IR plc on those shares, whether in respect of capital or otherwise.

Where the shares in IR plc are subject to these restrictions, the court may order the shares to be sold and may also direct that the shares shall cease to be subject to these restrictions.

Anti-Takeover Provisions

Business Combinations with Interested Shareholders

As provided in IR plc's articles of association, the affirmative vote of the holders of 80% of the shares then in issue of all classes of shares entitled to vote considered for purposes of this provision as one class, is required for IR plc to engage in any business combination with any interested shareholder (generally, a 10% or greater shareholder), provided that the above vote requirement does not apply to:

any business combination with an interested shareholder that has been approved by the board of directors; or

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any agreement for the amalgamation, merger or consolidation of any of IR plc's subsidiaries with IR plc or with another of IR plc's subsidiaries if (1) the relevant provisions of IR plc's articles of association will not be changed or otherwise affected by or by virtue of the amalgamation, merger or consolidation and (2) the holders of greater than 50% of the voting power of IR plc or the subsidiary, as appropriate, immediately prior to the amalgamation, merger or consolidation continue to hold greater than 50% of the voting power of the amalgamated company immediately following the amalgamation, merger or consolidation.

IR plc's articles of association provide that "business combination" means:

any amalgamation, merger or consolidation of IR plc or one of IR plc's subsidiaries with an interested shareholder or with any person that is, or would be after such amalgamation, merger or consolidation, an affiliate or associate of an interested shareholder;

any transfer or other disposition to or with an interested shareholder or any affiliate or associate of an interested shareholder of all or any material part of the assets of IR plc or one of IR plc's subsidiaries; and

any issuance or transfer of IR plc's shares upon conversion of or in exchange for the securities or assets of any interested shareholder, or with any company that is, or would be after such merger or consolidation, an affiliate or associate of an interested shareholder.

Irish Takeover Rules and Substantial Acquisition Rules

A transaction by virtue of which a third party is seeking to acquire 30% or more of the voting rights of IR plc will be governed by the Irish Takeover Panel Act 1997 and the Irish Takeover Rules made thereunder and will be regulated by the Irish Takeover Panel. The General Principles of the Irish Takeover Rules and certain important aspects of the Irish Takeover Rules are described below.

General Principles

The Irish Takeover Rules are built on the following General Principles which will apply to any transaction regulated by the Irish Takeover Panel:

in the event of an offer, all classes of shareholders of the target company should be afforded equivalent treatment and, if a person acquires control of a company, the other holders of securities must be protected;

the holders of securities in the target company must have sufficient time to allow them to make an informed decision regarding the offer;

the board of a company must act in the interests of the company as a whole. If the board of the target company advises the holders of securities as regards the offer it must advise on the effects of the implementation of the offer on employment, employment conditions and the locations of the target company's place of business;

false markets in the securities of the target company or any other company concerned by the offer must not be created;

a bidder can only announce an offer after ensuring that he or she can fulfill in full the consideration offered;

a target company may not be hindered longer than is reasonable by an offer for its securities. This is a recognition that an offer will disrupt the day-to-day running of a target company particularly if the offer is hostile and the board of the target company must divert

its attention to resist the offer; and

a substantial acquisition of securities (whether such acquisition is to be effected by one transaction or a series of transactions) will only be allowed to take place at an acceptable speed and shall be subject to adequate and timely disclosure.

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Mandatory Bid

If an acquisition of shares were to increase the aggregate holding of an acquirer and its concert parties to shares carrying 30% or more of the voting rights in IR plc, the acquirer and, depending on the circumstances, its concert parties would be required (except with the consent of the Irish Takeover Panel) to make a cash offer for the outstanding shares at a price not less than the highest price paid for the shares by the acquirer or its concert parties during the previous 12 months. This requirement would also be triggered by an acquisition of shares by a person holding (together with its concert parties) shares carrying between 30% and 50% of the voting rights in IR plc if the effect of such acquisition were to increase the percentage of the voting rights held by that person (together with its concert parties) by 0.05% within a twelve-month period. A single holder (that is, a holder excluding any parties acting in concert with the holder) holding more than 50% of the voting rights of a company is not subject to this rule.

Voluntary Bid; Requirements to Make a Cash Offer and Minimum Price Requirements

A voluntary offer is an offer that is not a mandatory offer. If a bidder or any of its concert parties acquire ordinary shares of IR plc within the period of three months prior to the commencement of the offer period, the offer price must be not less than the highest price paid for IR plc ordinary shares by the bidder or its concert parties during that period. The Irish Takeover Panel has the power to extend the look back period to 12 months if the Irish Takeover Panel, having regard to the General Principles, believes it is appropriate to do so.

If the bidder or any of its concert parties has acquired ordinary shares of IR plc (i) during the period of 12 months prior to the commencement of the offer period which represent more than 10% of the total ordinary shares of IR plc or (ii) at any time after the commencement of the offer period, the offer shall be in cash (or accompanied by a full cash alternative) and the price per IR plc ordinary share shall be not less than the highest price paid by the bidder or its concert parties during, in the case of (i), the period of 12 months prior to the commencement of the offer period and, in the case of (ii), the offer period. The Irish Takeover Panel may apply this rule to a bidder who, together with its concert parties, has acquired less than 10% of the total ordinary shares of IR plc in the 12 month period prior to the commencement of the offer period if the Panel, having regard to the General Principles, considers it just and proper to do so.

An offer period will generally commence from the date of the first announcement of the offer or proposed offer.

Substantial Acquisition Rules

The Irish Takeover Rules also contain rules governing substantial acquisitions of shares which restrict the speed at which a person may increase his or her holding of shares and rights over shares to an aggregate of between 15% and 30% of the voting rights of IR plc. Except in certain circumstances, an acquisition or series of acquisitions of shares or rights over shares representing 10% or more of the voting rights of IR plc is prohibited, if such acquisition(s), when aggregated with shares or rights already held, would result in the acquirer holding 15% or more but less than 30% of the voting rights of IR plc and such acquisitions are made within a period of seven days. These rules also require accelerated disclosure of acquisitions of shares or rights over shares relating to such holdings.

Frustrating Action

Under the Irish Takeover Rules, the board of directors of IR plc is not permitted to take any action which might frustrate an offer for the shares of IR plc once the board of directors has received an approach which may lead to an offer or has reason to believe an offer is imminent except as noted below. Potentially frustrating actions such as (i) the issue of shares, options or convertible securities, (ii) material disposals, (iii) entering into contracts other than in the ordinary course of business or (iv) any action, other than seeking alternative offers,

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which may result in frustration of an offer, are prohibited during the course of an offer or at any time during which the board has reason to believe an offer is imminent. Exceptions to this prohibition are available where:

- (a) the action is approved by IR plc's shareholders at a general meeting; or
- (b) with the consent of the Irish Takeover Panel where:
 - (i) the Irish Takeover Panel is satisfied the action would not constitute a frustrating action;
 - (ii) the holders of 50% of the voting rights state in writing that they approve the proposed action and would vote in favor of it at a general meeting;
 - (iii) in accordance with a contract entered into prior to the announcement of the offer; or
 - (iv) the decision to take such action was made before the announcement of the offer and either has been at least partially implemented or is in the ordinary course of business.

For other provisions that could be considered to have an anti-takeover effect, please see above at Pre-emption Rights, Share Warrants and Share Options and Disclosure of Interests in Shares, in addition to Corporate Governance below.

Corporate Governance

The articles of association of IR plc allocate authority over the management of IR plc to the board of directors. The board of directors may then delegate management of IR plc to committees of the board, executives or to a management team, but regardless, the directors will remain responsible, as a matter of Irish law, for the proper management of the affairs of IR plc. IR plc currently has an Audit Committee, a Compensation Committee, a Corporate Governance and Nominating Committee and a Finance Committee. IR plc has also adopted the Corporate Governance Guidelines of IR Limited.

Legal Name; Formation; Fiscal Year; Registered Office

The legal and commercial name of the newly formed Irish company is Ingersoll-Rand plc. IR plc was incorporated in Ireland, as a public limited company on April 1, 2009 with company registration number 469272. IR plc's fiscal year ends on December 31 and IR plc's registered address is 170/175 Lakeview Dr., Airside Business Park, Swords, Co. Dublin, Ireland.

Duration; Dissolution; Rights upon Liquidation

IR plc's duration will be unlimited. IR plc may be dissolved at any time by way of either a shareholders' voluntary winding up or a creditors' voluntary winding up. In the case of a shareholders' voluntary winding up, the consent of not less than 75% of the shareholders of IR plc is required. IR plc may also be dissolved by way of court order on the application of a creditor, or by the Companies Registration Office as an enforcement measure where IR plc has failed to file certain returns.

The rights of the shareholders to a return of IR plc's assets on dissolution or winding up, following the settlement of all claims of creditors, may be prescribed in IR plc's articles of association or the terms of any preferred shares issued by the directors of IR plc from time to time. The holders of preferred shares in particular may have the right to priority in a dissolution or winding up of IR plc. If the articles of association contain no specific provisions in respect of a dissolution or winding up then, subject to the priorities of any creditors, the assets will be distributed to shareholders in proportion to the paid-up par value of the shares held. IR plc's articles of association provide that the ordinary shareholders of IR plc are entitled to participate pro rata in a winding up, but their right to do so may be subject to the rights of any preferred shareholders to participate under the terms of any series or class of preferred shares.

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Uncertificated Shares

Holders of ordinary shares of IR plc will not have the right to require IR plc to issue certificates for their shares. IR plc will only issue uncertificated ordinary shares.

Stock Exchange Listing

The IR plc ordinary shares are listed on the NYSE under the symbol IR. We do not plan for IR plc's ordinary shares to be listed on the Irish Stock Exchange at the present time.

No Sinking Fund

The ordinary shares have no sinking fund provisions.

No Liability for Further Calls or Assessments

All of our issued ordinary shares are duly and validly issued and fully paid.

Transfer and Registration of Shares

IR plc's share register will be maintained by its transfer agent. Registration in this share register will be determinative of membership in IR plc. A shareholder of IR plc who holds shares beneficially will not be the holder of record of such shares. Instead, the depository (for example, Cede & Co., as nominee for DTC) or other nominee will be the holder of record of such shares. Accordingly, a transfer of shares from a person who holds such shares beneficially to a person who also holds such shares beneficially through a depository or other nominee will not be registered in IR plc's official share register, as the depository or other nominee will remain the record holder of such shares.

A written instrument of transfer is required under Irish law in order to register on IR plc's official share register any transfer of shares (i) from a person who holds such shares directly to any other person, (ii) from a person who holds such shares beneficially to a person who holds such shares directly, or (iii) from a person who holds such shares beneficially to another person who holds such shares beneficially where the transfer involves a change in the depository or other nominee that is the record owner of the transferred shares. An instrument of transfer also is required for a shareholder who directly holds shares to transfer those shares into his or her own broker account (or vice versa). Such instruments of transfer may give rise to Irish stamp duty, which must be paid prior to registration of the transfer on IR plc's official Irish share register.

We currently intend to pay (or cause one of our affiliates to pay) stamp duty in connection with share transfers made in the ordinary course of trading by a seller who holds shares directly to a buyer who holds the acquired shares beneficially. In other cases IR plc may, in its absolute discretion, pay (or cause one of its affiliates to pay) any stamp duty. IR plc's articles of association provide that, in the event of any such payment, IR plc (i) may seek reimbursement from the transferor or transferee (at our discretion), (ii) may set-off the amount of the stamp duty against future dividends payable to the transferor or transferee (at our discretion), and (iii) will have a lien against the IR plc shares on which we have paid stamp duty. Parties to a share transfer may assume that any stamp duty arising in respect of a transaction in IR plc shares has been paid unless one or both of such parties is otherwise notified by us.

IR plc's articles of association delegate to IR plc's secretary the authority to execute an instrument of transfer on behalf of a transferring party. In order to help ensure that the official share register is regularly updated to reflect trading of IR plc shares occurring through normal electronic systems, we intend to regularly produce any required instruments of transfer in connection with any transactions for which we pay stamp duty (subject to the reimbursement and set-off rights described above). In the event that we notify one or both of the parties to a share transfer that we believe stamp duty is required to be paid in connection with such transfer and

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that we will not pay such stamp duty, such parties may either themselves arrange for the execution of the required instrument of transfer (and may request a form of instrument of transfer from IR plc for this purpose) or request that IR plc execute an instrument of transfer on behalf of the transferring party in a form determined by IR plc. In either event, if the parties to the share transfer have the instrument of transfer duly stamped (to the extent required) and then provide it to IR plc's transfer agent, the transferee will be registered as the legal owner of the relevant shares on IR plc's official Irish share register (subject to the matters described below).

The directors of IR plc have general discretion to decline to register an instrument of transfer unless the transfer is in respect of one class of share only.

The registration of transfers may be suspended by the directors at such times and for such period, not exceeding in the whole 30 days in each year, as the directors may from time to time determine.

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DESCRIPTION OF DEPOSITARY SHARES

The following description of preferred shares represented by depositary shares sets forth certain general terms and provisions of depositary agreements, depositary shares and depositary receipts. This summary does not contain all of the information that you may find useful. The particular terms of the depositary shares and related agreements and receipts will be described in the prospectus supplement relating to those depositary shares. For more information, you should review the form of deposit agreement and form of depositary receipts relating to each series of the preferred shares, which will be filed with the SEC promptly after the offering of that series of preferred shares. As used in this section only, we, our and us refers to IR plc.

General

We may elect to have preferred shares represented by depositary shares. The preferred shares of any series underlying the depositary shares will be deposited under a separate deposit agreement between us and a bank or trust company we select. The prospectus supplement relating to a series of depositary shares will set forth the name and address of this preferred share depositary. Subject to the terms of the deposit agreement, each owner of a depositary share will be entitled, proportionately, to all the rights, preferences and privileges of the preferred share represented by such depositary share (including dividend, voting, redemption, conversion, exchange and liquidation rights).

The depositary shares will be evidenced by depositary receipts issued pursuant to the deposit agreement, each of which will represent the applicable interest in a number of shares of a particular series of the preferred shares described in the applicable prospectus supplement.

A holder of depositary shares will be entitled to receive the preferred shares (but only in whole preferred shares) underlying those depositary shares. If the depositary receipts delivered by the holder evidence a number of depositary shares in excess of the whole number of preferred shares to be withdrawn, the depositary will deliver to that holder at the same time a new depositary receipt for the excess number of depositary shares.

Unless otherwise specified in the applicable prospectus supplement, the depositary agreement, the depositary shares and the depositary receipts will be governed by and construed in accordance with the law of the State of New York.

Dividends and Other Distributions

The preferred share depositary will distribute all cash dividends or other cash distributions in respect of the preferred shares to the record holders of depositary receipts in proportion, insofar as possible, to the number of depositary shares owned by those holders.

If there is a distribution other than in cash in respect of the preferred shares, the preferred share depositary will distribute property received by it to the record holders of depositary receipts in proportion, insofar as possible, to the number of depositary shares owned by those holders, unless the preferred share depositary determines that it is not feasible to make such a distribution. In that case, the preferred share depositary may, with our approval, adopt any method that it deems equitable and practicable to effect the distribution, including a public or private sale of the property and distribution of the net proceeds from the sale to the holders.

The amount distributed in any of the above cases will be reduced by any amount we or the preferred share depositary are required to withhold on account of taxes.

Conversion and Exchange

If any preferred share underlying the depositary shares is subject to provisions relating to its conversion or exchange as set forth in an applicable prospectus supplement, each record holder of depositary shares will have the right or obligation to convert or exchange those depositary shares pursuant to those provisions.

Redemption of Depositary Shares

Whenever we redeem a preferred share held by the preferred share depositary, the preferred share depositary will redeem as of the same redemption date a proportionate number of depositary shares representing the

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preferred shares that were redeemed. The redemption price per depositary share will be equal to the aggregate redemption price payable with respect to the number of preferred shares underlying the depositary shares. If fewer than all the depositary shares are to be redeemed, the depositary shares to be redeemed will be selected by lot or proportionately as we may determine.

After the date fixed for redemption, the depositary shares called for redemption will no longer be deemed to be outstanding and all rights of the holders of the depositary shares will cease, except the right to receive the redemption price.

Voting

Upon receipt of notice of any meeting at which the holders of any preferred shares underlying the depositary shares are entitled to vote, the preferred share depositary will mail the information contained in the notice to the record holders of the depositary receipts. Each record holder of the depositary receipts on the record date (which will be the same date as the record date for the preferred shares) may then instruct the preferred share depositary as to the exercise of the voting rights pertaining to the number of preferred shares underlying that holder's depositary shares. The preferred share depositary will try to vote the number of preferred shares underlying the depositary shares in accordance with the instructions, and we will agree to take all reasonable action which the preferred share depositary deems necessary to enable the preferred share depositary to do so. The preferred share depositary will abstain from voting the preferred shares to the extent that it does not receive specific written instructions from holders of depositary receipts representing the preferred share.

Record Date

Whenever

any cash dividend or other cash distribution becomes payable, any distribution other than cash is made, or any rights, preferences or privileges are offered with respect to the preferred shares; or

the preferred share depositary receives notice of any meeting at which holders of preferred shares are entitled to vote or of which holders of preferred shares are entitled to notice, or of the mandatory conversion of or any election by us to call for the redemption of any preferred share,

the preferred share depositary will in each instance fix a record date (which will be the same as the record date for the preferred shares) for the determination of the holders of depositary receipts:

who will be entitled to receive dividend, distribution, rights, preferences or privileges or the net proceeds of any sale; or

who will be entitled to give instructions for the exercise of voting rights at any such meeting or to receive notice of the meeting or the redemption or conversion, subject to the provisions of the deposit agreement.

Amendment and Termination of the Deposit Agreement

We and the preferred share depositary may at any time agree to amend the form of depositary receipt and any provision of the deposit agreement. However, any amendment that materially and adversely alters the rights of holders of depositary shares will not be effective unless the amendment has been approved by the holders of at least a majority of the de