

Edgar Filing: MCDONALDS CORP - Form 424B2

MCDONALDS CORP
Form 424B2
February 21, 2002

Filed Pursuant to Rule 424(b) (2)
Registration No. 333-60170

PRICING SUPPLEMENT NO. 4, DATED FEBRUARY 19, 2002

(To Prospectus dated May 10, 2001 and
Prospectus Supplement dated May 24, 2001)

U.S.\$1,500,000,000

McDONALD'S CORPORATION

Medium-Term Notes, Series G

(Fixed Rate Notes)

Due from 1 Year to 60 Years from Date of Issue

The following description of the terms of the Notes offered hereby supplements, and to the extent inconsistent therewith replaces, the descriptions included in the Prospectus and Prospectus Supplement referred to above, to which descriptions reference is hereby made.

Principal Amount: U.S.\$300,000,000

Issue Price: 99.885% of the Principal Amount of the Notes

Original Issue Date: February 22, 2002

Stated Maturity: March 1, 2012

Interest Rate: 5.750% per annum

Interest Payment Dates: March 1 and September 1, commencing September 1, 2002
(Applicable only if other than February 15 and August 15 of each year)

Regular Record Dates: February 15 and August 15 of each year
(Applicable only if other than February 1 and August 1 of each year)

Form: Book-Entry Certificated

Specified Currency:
(If other than U.S. dollars)

Option to Receive Payments in Specified Currency: Yes No
(Applicable only if Specified Currency is other than U.S. dollars and if Note is not in Book Entry form)

Authorized Denominations:
(Applicable only if other than U.S.\$1,000 and increments of U.S.\$1,000 or if Specified Currency is other than U.S. dollars)

Method of Payment of Principal:
(Applicable only if other than immediately available funds)

Edgar Filing: MCDONALDS CORP - Form 424B2

Optional Redemption: The Notes cannot be redeemed prior to Stated Maturity.

The Notes can be redeemed in whole or in part at any time prior to Stated Maturity at the option of McDonald's Corporation (the "Company") as set forth below.

Optional Redemption Dates: The Notes will be redeemable, in whole or in part, as set forth below at the option of the Company at any time.

Redemption Prices:

The Redemption Price shall initially be % of the principal amount of the Note to be redeemed and shall decline at each anniversary of the initial Optional Redemption Date by % of the principal amount to be redeemed until the Redemption Price is 100% of such principal amount; provided, however, that in the case of an Original Issue Discount Note, the Redemption Price shall be the Amortized Face Amount of the principal amount to be redeemed.

Other: The Notes will be redeemable, in whole or in part, at the option of the Company at any time at a redemption price equal to the greater of:

- (1) 100% of the principal amount of the Notes, or
- (2) as determined by the Independent Investment Banker, the sum of the present values of the remaining scheduled payments of principal and interest on the Notes (not including any portion of the payments of interest accrued as of the date of redemption) discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate, plus 15 basis points;

plus, in each case, accrued interest thereon to the date of redemption.

"Treasury Rate" means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity or interpolated (on a day count basis) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for the redemption date.

"Comparable Treasury Issue" means the United States Treasury security or securities selected by the Independent Investment Banker as having an actual or interpolated maturity comparable to the remaining term of the Notes that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the remaining term of such Notes.

"Comparable Treasury Price" means, with respect to any redemption date, (A) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (B) if the Trustee obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations.

"Independent Investment Banker" means one of the Reference Dealers selected by the Company.

Edgar Filing: MCDONALDS CORP - Form 424B2

"Reference Dealer" means Morgan Stanley & Co. Incorporated plus four others selected by the Company or their affiliates which are primary U.S. Government securities dealers, and their respective successors; provided, however, that if any of the foregoing or their affiliates shall cease to be a primary U.S. Government securities dealer in New York City (a "Primary Treasury Dealer"), the Company shall substitute for it another Primary Treasury Dealer.

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

Notice of any redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each holder of the Notes to be redeemed.

Unless the Company defaults in payment of the redemption price, and on and after the redemption date, interest will cease to accrue on the Notes or portion of the Notes called for redemption.

Sinking Fund: The Notes are not subject to a Sinking Fund.
 The Notes are subject to a Sinking Fund.

Sinking Fund Dates:

Sinking Fund Amounts:

Amortizing Note: Yes No

Amortization Schedule:

Optional Repayment: Yes No

Optional Repayment Dates:

Optional Repayment Prices:

Original Issue Discount Note: Yes No

Total Amount of OID:

Yield to Stated Maturity:

Initial Accrual Period OID:

Calculation Agent (if other than Principal Paying Agent):

Agent's discount or commission: 0.650% of the principal amount of the Notes

Net proceeds to Company (if sale to Agent as principal): 99.235% of the Principal Amount of the Notes

Agent's Capacity: Agent Principal

Agents: Morgan Stanley
Salomon Smith Barney
Banc One Capital Markets, Inc.
BNP PARIBAS

Edgar Filing: MCDONALDS CORP - Form 424B2

JPMorgan
Merrill Lynch & Co.
SG Cowen
Westdeutsche Landesbank Girozentrale

CUSIP: 58013MDR2

Plan of Distribution:

Agents -----	Principal Amount -----
Morgan Stanley & Co. Incorporated	\$120,300,000
Salomon Smith Barney, Inc.	120,300,000
Banc One Capital Markets, Inc.	9,900,000
BNP Paribas Securities Corp.	9,900,000
J.P. Morgan Securities, Inc.	9,900,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	9,900,000
SG Cowen Securities Corporation	9,900,000
Westdeutsche Landesbank Girozentrale	9,900,000

Total:	\$300,000,000 =====

Document #: 155001v2