

Jefferies Group LLC
Form 424B5
January 10, 2017
Table of Contents

Filed pursuant to Rule 424(b)(5)
Registration No. 333-209385 and 333-209385-01

CALCULATION OF REGISTRATION FEE

Title of each Class of	Amount	Maximum	Maximum	Amount of
Securities to be Registered	to be Registered	Offering Price	Aggregate	Registration Fee
4.850% Senior Notes due 2027	\$750,000,000	Per Unit 99.406%	Offering Price \$745,545,000	\$86,409(1)

(1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended.

Table of Contents

PROSPECTUS SUPPLEMENT

(To prospectus dated February 4, 2016)

\$750,000,000

Jefferies Group LLC

4.850% SENIOR NOTES DUE 2027

Jefferies Group LLC and Jefferies Group Capital Finance Inc. are offering \$750,000,000 aggregate principal amount of our 4.850% Senior Notes due 2027 (the Notes).

Maturity The Notes will mature on January 15, 2027.

Interest We will pay interest on the Notes in cash semi-annually in arrears on January 15 and July 15 of each year, beginning July 15, 2017 (short first coupon).

Ranking The Notes will be our senior unsecured obligations and will rank equally with our other senior unsecured indebtedness.

Optional Redemption We may redeem some or all of the Notes at any time at the redemption price described in this prospectus supplement.

The Notes will be issued only in registered form in denominations of \$5,000 and integral multiples of \$1,000 in excess of \$5,000.

We have applied to list the Notes on the New York Stock Exchange (the NYSE), and we expect trading in the Notes on the NYSE to begin within 30 days after the original issue date.

Investing in the Notes involves risks that are described in the Risk Factors section beginning on page S-4 of this prospectus supplement.

**PROCEEDS, BEFORE
PUBLIC OFFERING PRICE AND UNDERWRITING DISCOUNT EXPENSES, TO US**

Per Note		99.406%		0.450%		98.956%
Notes Total	\$	745,545,000	\$	3,375,000	\$	742,170,000

⁽¹⁾ Plus accrued interest from January 17, 2017, if settlement occurs after that date.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus supplement and prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the Notes in book-entry form only through The Depository Trust Company, including for the accounts of Euroclear and Clearstream, against payment in New York, New York on January 17, 2017.

Sole Book-Running Manager

Jefferies

Senior Co-Managers

Deutsche Bank Securities

HSBC
Co-Managers

Natixis

Citigroup

US Bancorp

Prospectus supplement dated January 9, 2017.

Table of Contents

TABLE OF CONTENTS

PROSPECTUS SUPPLEMENT	PAGE
<u>IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS SUPPLEMENT AND PROSPECTUS</u>	S-iii
<u>SPECIAL NOTE ON FORWARD-LOOKING STATEMENTS</u>	S-iv
<u>PROSPECTUS SUPPLEMENT SUMMARY</u>	S-1
<u>RISK FACTORS</u>	S-4
<u>USE OF PROCEEDS</u>	S-5
<u>CAPITALIZATION</u>	S-6
<u>DESCRIPTION OF THE NOTES</u>	S-7
<u>UNDERWRITING</u>	S-14
<u>CONFLICT OF INTEREST</u>	S-19
<u>LEGAL MATTERS</u>	S-20
<u>EXPERTS</u>	S-21
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	S-22
<u>INCORPORATION OF CERTAIN INFORMATION BY REFERENCE</u>	S-23

PROSPECTUS SUPPLEMENT, DATED AUGUST 5, 2016

PROSPECTUS

<u>SUMMARY</u>	1
<u>RISK FACTORS</u>	4
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	7
<u>INCORPORATION OF CERTAIN INFORMATION BY REFERENCE</u>	8
<u>DESCRIPTION OF SECURITIES WE MAY OFFER</u>	9
<u>DEBT SECURITIES</u>	9
<u>WARRANTS</u>	18

<u>PURCHASE CONTRACTS</u>	21
<u>UNITS</u>	23
<u>FORM EXCHANGE AND TRANSFER</u>	26
<u>BOOK-ENTRY PROCEDURES AND SETTLEMENT</u>	29
<u>RATIO OF EARNINGS TO FIXED CHARGES</u>	32
<u>USE OF PROCEEDS</u>	33
<u>PLAN OF DISTRIBUTION</u>	34
<u>CONFLICTS OF INTEREST</u>	35
<u>MARKET-MAKING AND PRINCIPAL REALES BY AFFILIATES</u>	36
<u>MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES</u>	37
<u>CERTAIN ERISA CONSIDERATIONS</u>	48
<u>LEGAL MATTERS</u>	50
<u>EXPERTS</u>	51

Table of Contents

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus and prospectus supplement. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in this prospectus supplement or the accompanying prospectus and prospectus supplement is accurate as of any date later than the date on the front of this prospectus supplement.

S-ii

Table of Contents

IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS

SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS SUPPLEMENT AND PROSPECTUS

This document is in three parts. The first part is the prospectus supplement, which describes the specific terms of the Notes being offered. The second part, the prospectus supplement dated August 5, 2016, shows immaterial correcting adjustments to our historical Consolidated Statements of Cash Flows for the three months ended February 29, 2016, the year ended November 30, 2015, the nine months ended August 31, 2015, the three months ended February 28, 2015, the year ended November 30, 2014, the nine months ended November 30, 2013 and the three months ended February 28, 2013. The third part, the base prospectus, gives more general information, some of which may not apply to the Notes being offered. Generally, when we refer only to the prospectus, we are referring to all three parts combined, and when we refer to the accompanying prospectus, we are referring to the base prospectus together with the accompanying prospectus supplement dated August 5, 2016.

If the description of the Notes varies between this prospectus supplement and the accompanying prospectus supplement and prospectus, you should rely on the information in the prospectus supplement.

Table of Contents

SPECIAL NOTE ON FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus supplement and prospectus contain or incorporate by reference forward-looking statements within the meaning of the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements are not statements of historical fact and represent only our belief as of the date such statements are made. There are a variety of factors, many of which are beyond our control, which affect our operations, performance, business strategy and results and could cause actual reported results and performance to differ materially from the performance and expectations expressed in these forward-looking statements. These factors include, but are not limited to, financial market volatility, actions and initiatives by current and future competitors, general economic conditions, controls and procedures relating to the close of the quarter, the effects of current, pending and future legislation or rulemaking by regulatory or self-regulatory bodies, regulatory actions, and the other risks and uncertainties that are outlined in this prospectus supplement and in our Annual Report on Form 10-K for the fiscal year ended November 30, 2015 filed with the U.S. Securities and Exchange Commission, or the SEC, on January 29, 2016, as amended by our Form 10-K/A filed with the SEC on March 11, 2016, and in our Quarterly Reports on Form 10-Q for the quarterly periods ended February 29, 2016, May 31, 2016 and August 31, 2016, filed with the SEC on April 8, 2016, July 8, 2016 and October 5, 2016, respectively. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made. We do not undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the date of the forward-looking statements.

S-iv

Table of Contents

PROSPECTUS SUPPLEMENT SUMMARY

*This summary highlights information contained elsewhere in this prospectus or incorporated by reference into this prospectus as further described below under **Incorporation of Certain Information by Reference** . This summary does not contain all the information that you should consider before investing in the securities being offered by this prospectus. You should carefully read the entire prospectus, any applicable prospectus supplement and the documents incorporated by reference into this prospectus and any applicable prospectus supplement.*

*Unless otherwise specified, the terms **Issuers**, **we**, **our**, and **us** as used herein, refer to Jefferies Group LLC and Jefferies Group Capital Finance Inc., its wholly-owned subsidiary, as Co-Issuers of the securities offered hereby. The terms **the Company** and **Jefferies Group** refers to Jefferies Group LLC, alone. Jefferies Group Capital Finance Inc. has nominal assets, conducts no operations and was formed in 2016 for the sole purpose of co-issuing securities, including the Notes, with Jefferies Group. Jefferies Group is a holding company that conducts almost all of its operations through its subsidiaries and a significant portion of its consolidated assets are held by its subsidiaries. Accordingly, all financial and operating data presented in this prospectus are those of Jefferies Group on a consolidated basis. The Issuers will be jointly and severally liable for all obligations under the Notes offered hereby.*

About Us

Jefferies Group and its subsidiaries operate as a global full service, integrated securities and investment banking firm. The Company's principal operating subsidiary, Jefferies LLC, was founded in the U.S. in 1962 and its first international operating subsidiary, Jefferies International Limited, was established in the U.K. in 1986. On March 1, 2013, Jefferies Group, Inc. converted into a limited liability company (renamed Jefferies Group LLC) and became an indirect wholly-owned subsidiary of Leucadia National Corporation (**Leucadia**). Richard Handler, the Company's Chief Executive Officer and Chairman, is also the Chief Executive Officer of Leucadia, as well as a director of Leucadia. Brian P. Friedman, the Chairman of the Company's Executive Committee, is also Leucadia's President and a director of Leucadia. Jefferies Group LLC retains a credit rating separate from Leucadia and is an SEC reporting company, filing annual, quarterly and periodic reports.

The Company currently operates in two business segments, Capital Markets and Asset Management. Its Capital Markets reportable segment, which principally represents the Company's entire business, consists of the Company's securities trading activities and its investment banking activities. The Capital Markets reportable segment provides the sales, trading and/or origination and execution effort for various equity, fixed income, foreign exchange and advisory products and services. The Asset Management segment includes asset management activities and related services.

The Company's global headquarters and executive offices are located at 520 Madison Avenue, New York, New York 10022. The Company also has regional headquarters in London and Hong Kong. Its primary telephone number is (212) 284-2550 and its Internet address is jefferies.com. Information on its website is not incorporated by reference into, and should not be deemed to constitute a part of, this prospectus. Jefferies Group Capital Finance Inc. (the **Co-Issuer**) is a Delaware corporation that was formed in 2016 for the sole purpose of co-issuing securities with Jefferies Group, including the securities offered hereby.

Recent Developments

On December 20, 2016, Jefferies Group LLC announced its financial results for its fiscal fourth quarter of 2016:

Total Equities and Fixed Income Net Revenues of \$325 million

Investment Banking Net Revenues of \$415 million

Total Net Revenues of \$742 million

S-1

Table of Contents

Earnings Before Income Taxes of \$97 million

Net Earnings of \$87 million (effective tax rate 9.8%)

For the year ended November 30, 2016:

Total Equities and Fixed Income Net Revenues of \$1,190 million

Investment Banking Net Revenues of \$1,194 million

Total Net Revenues of \$2,415 million

Earnings Before Income Taxes of \$30 million

Net Earnings of \$15 million (effective tax rate 48.6%)

Amounts herein pertaining to November 30, 2016 represent a preliminary estimate as of the date of the earnings release and may be revised in our Annual Report on Form 10-K for the year ended November 30, 2016.

The above preliminary financial data included in this prospectus supplement has been prepared by and is the responsibility of Jefferies management. PricewaterhouseCoopers LLP has not audited, reviewed, compiled or performed any procedures with respect to the accompanying preliminary financial data. Accordingly, PricewaterhouseCoopers LLP does not express an opinion or any other form of assurance with respect thereto.

Table of Contents

THE OFFERING

The summary below contains basic information about the Notes. It does not contain all the information that is important to you. For a more complete understanding of the Notes, please refer to the section of this prospectus supplement entitled "Description of the Notes" and the accompanying prospectus.

Issuers	Jefferies Group LLC, a Delaware limited liability company, and Jefferies Group Capital Finance Inc., a Delaware corporation and wholly-owned subsidiary of Jefferies Group. Jefferies Group Capital Finance Inc. has nominal assets, conducts no operations and was formed in 2016 for the sole purpose of co-issuing securities, including the Notes, with Jefferies Group.
Securities Offered	\$750,000,000 aggregate principal amount of our 4.850% Senior Notes due 2027
Maturity	The Notes will mature on January 15, 2027.
Issue Date	January 17, 2017
Interest	Interest will accrue on the Notes at a rate of 4.850% per year from the issue date, payable semi-annually in arrears on January 15 and July 15 of each year, beginning July 15, 2017 (short first coupon).
Ranking	The Notes will be our senior unsecured obligations and will rank equally in right of payment with all of our other senior unsecured indebtedness.
Optional Redemption	We may redeem some or all of the Notes at any time prior to maturity at the redemption price described in this prospectus supplement. See "Description of the Notes" Optional Redemption.
Covenants	The Indenture governing the Notes contains certain covenants. See "Description of the Notes" Covenants.
Use of Proceeds	We intend to use the proceeds of this offering for general corporate purposes, including the further development and diversification of our businesses. Please see "Use of Proceeds."

Listing

We have applied to list the Notes on the NYSE. We expect trading in the Notes on the NYSE to begin within 30 days after the original issue date.

Conflict of interest

Jefferies LLC, the broker-dealer subsidiary of Jefferies Group LLC, is a member of FINRA and will participate in the distribution of the Notes being offered hereby. Accordingly, the offering is subject to the provisions of FINRA Rule 5121 relating to conflicts of interests and will be conducted in accordance with the requirements of Rule 5121. See Conflict of Interest.

Table of Contents

RISK FACTORS

*In addition to the other information contained and incorporated by reference in this prospectus supplement and the accompanying prospectus supplement and prospectus, including the section entitled **Risk Factors** in our Annual Report on Form 10-K filed with the SEC on January 29, 2016, as amended by our Form 10-K/A filed with the SEC on March 11, 2016, and in our Quarterly Reports on Form 10-Q filed with the SEC on July 8, 2016 and October 5, 2016, as may be supplemented by other documents incorporated by reference into this prospectus supplement or the accompanying prospectus supplement and prospectus, you should consider carefully the following factors before deciding to purchase the Notes.*

Risks Associated with the Offering

In the absence of an active trading market for the Notes, you may not be able to resell them.

We can offer no assurance as to the liquidity of the market for the Notes, your ability to sell the Notes or the price at which you may be able to sell them. Future trading prices of the Notes will depend on many factors, including, among other things, prevailing interest rates, our operating results, our credit ratings and the market for similar securities. Jefferies LLC has advised us that it currently intends to make a market in the Notes. However, Jefferies LLC is not obligated to do so and it may discontinue any market making at any time without notice.

We may redeem the Notes before maturity, and you may be unable to reinvest the proceeds at the same or a higher rate of return.

We may redeem all or a portion of the Notes at any time at the applicable redemption price described in this prospectus supplement under **Description of the Notes Optional Redemption**. If a redemption occurs, you may be unable to reinvest the money you receive in the redemption at a rate that is equal to or higher than the rate of return on the Notes.

The Notes will be effectively subordinated to liabilities of our subsidiaries.

The Notes will be the obligations of Jefferies Group LLC and Jefferies Group Capital Finance Inc. exclusively and will not be guaranteed by any of our other subsidiaries or secured by any of our properties or assets. Jefferies Group LLC is a holding company. Jefferies Group Capital Finance Inc. is a 100%-owned finance subsidiary of Jefferies Group LLC with nominal assets which conducts no operations. We conduct almost all of our operations through our subsidiaries and a significant portion of our consolidated assets are held by our subsidiaries. Accordingly, our cash flow and our ability to service debt, including the Notes, is in large part dependent upon the results of operations of our subsidiaries and upon the ability of our subsidiaries to provide us cash (whether in the form of dividends, loans or otherwise) to pay amounts due in respect of our obligations, to pay any amounts due on the Notes or to make any funds available to pay such amounts. In addition, dividends, loans and other distributions from our subsidiaries to us are subject to restrictions imposed by law, including minimum net capital requirements, are contingent upon results of operations of such subsidiaries and are subject to various business considerations.

The Notes will be effectively subordinated as a claim against the assets of our subsidiaries to all existing and future liabilities of those subsidiaries (including indebtedness, guarantees, customer and counterparty obligations, trade payables, lease obligations and letter of credit obligations). Therefore, our rights and the rights of our creditors, including the holders of the Notes, to participate in the assets of any subsidiary upon its liquidation or reorganization will be subject to the prior claims of its creditors, except to the extent that we or they may be a creditor with recognized claims against the subsidiary.

Changes in Jefferies Group LLC's credit ratings may affect the trading value of the Notes.

Jefferies Group LLC's credit ratings are an assessment of Jefferies Group LLC's ability to pay its obligations. Consequently, real or anticipated changes in Jefferies Group LLC's credit ratings may affect the trading value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the assigning rating organization. No person is obligated to maintain any rating on the Notes, and, accordingly, we cannot assure you that the ratings assigned to the Notes will not be lowered or withdrawn by the assigning rating organization at any time thereafter.

S-4

Table of Contents

USE OF PROCEEDS

We estimate that the aggregate net proceeds from the issuance and sale of the Notes, after deducting the underwriting discount and expenses relating to the offering, will be approximately \$741,695,000. We intend to use the proceeds of this offering for general corporate purposes, including the further development and diversification of our businesses.

S-5

Table of Contents**CAPITALIZATION**

The following table sets forth our capitalization as of August 31, 2016 on an actual basis and as adjusted to give effect to the issuance and sale of the Notes offered hereby.

(Unaudited, in thousands)	AS OF	
	ACTUAL	AS ADJUSTED
Long-term debt ⁽¹⁾		
5.125% Senior Notes, due April 13, 2018 (effective interest rate of 3.46%)	\$ 820,974	\$ 820,974
8.5% Senior Notes, due July 15, 2019 (effective interest rate of 4.00%)	785,411	785,411
2.375% Euro Medium Term Notes, due May 20, 2020 (effective rate of 2.42%)	555,962	555,962
6.875% Senior Notes, due April 15, 2021 (effective interest rate of 4.40%)	827,601	827,601
2.25% Euro Medium Term Notes, due July 13, 2022 (effective rate of 4.08%)	4,035	4,035
5.125% Senior Notes, due January 20, 2023 (effective interest rate of 4.55%)	619,000	619,000
6.45% Senior Debentures, due June 8, 2027 (effective interest rate of 5.46%)	378,292	378,292
3.875% Convertible Senior Debentures, due November 1, 2029 (effective interest rate of 3.50%)	346,473	346,473
6.25% Senior Debentures, due January 15, 2036 (effective interest rate of 6.03%)	512,481	512,481
6.50% Senior Notes, due January 20, 2043 (effective interest rate of 6.09%)	421,415	421,415
Structured Notes ⁽²⁾⁽³⁾	211,094	211,094
4.850% Senior Notes due January 15, 2027 offered hereby		745,545
Total long-term debt	\$ 5,482,738	\$ 6,228,283
Long-term Debt ⁽¹⁾⁽²⁾	\$ 5,476,066	\$ 6,221,611
Total Equity	5,326,592	5,326,592
Total Long-Term Capital	\$ 10,802,658	\$ 11,548,203

(1) Does not reflect (i) the issuance and sale of \$50 million aggregate principal amount of our Fixed Rate Step-Up Callable Notes, due October 31, 2031 in October 2016, or (ii) the issuance and sale of \$10 million aggregate principal amount of our Fixed Rate Step-Up Callable Notes, due November 29, 2028 in November 2016.

(2) Long-term debt for purposes of evaluating long-term capital at August 31, 2016 excludes \$6.7 million of our Structured Notes, as these notes are puttable on May 4, 2017.

(3) Includes \$204.4 million of fair value at August 31, 2016.

Table of Contents

DESCRIPTION OF THE NOTES

Please note that in this section entitled "Description of the Notes", unless otherwise specified, the terms "Issuers", "we", "us", and "our", as used herein, refer to Jefferies Group LLC and Jefferies Group Capital Finance Inc., its wholly-owned subsidiary, as Co-Issuers of the Notes offered hereby. The terms "the Company" and "Jefferies Group" refer to Jefferies Group LLC, alone. Jefferies Group Capital Finance Inc. is a 100%-owned finance subsidiary of Jefferies Group LLC with nominal assets which conducts no operations. The Issuers will be jointly and severally liable for all obligations under the Notes offered hereby. Also, in this section, references to holders mean those who own Notes registered in their own names, on the books that we or the indenture trustee maintains for this purpose, and not those who own beneficial interests in Notes registered in street name or in Notes issued in book-entry form through one or more depositaries. Owners of beneficial interests in the Notes should read the section below entitled "Book Entry, Delivery and Form" and the section in the accompanying prospectus entitled "Book-Entry Procedures and Settlement."

General

The following description of the Notes we are offering supplements, and to the extent inconsistent therewith supersedes, the description of the general terms and provisions of the debt securities set forth in the accompanying prospectus supplement and prospectus. We refer you to that description.

We will issue the Notes under an indenture dated as of May 26, 2016 between Jefferies Group, Jefferies Group Capital Finance Inc. and The Bank of New York Mellon, as trustee. Jefferies Group and its subsidiaries have normal banking relationships with The Bank of New York Mellon.

We cannot assure you that an active public market for the Notes will develop. The absence of an active public trading market could have an adverse effect on the liquidity and value of the Notes.

We may from time to time, without giving notice to or seeking the consent of the holders of the Notes, issue additional Notes having the same ranking and the same interest rate, maturity and other terms, except for the issue price and the issue date. Any such additional Notes having such similar terms, together with the Notes offered hereby, will constitute a single series with the Notes under the indenture.

Principal, Maturity and Interest

The initial aggregate principal amount of the Notes is \$750,000,000. The Notes will mature on January 15, 2027. The Notes will bear interest at the applicable rate per annum shown on the cover page of this prospectus supplement.

Interest on the Notes will accrue from January 17, 2017, or from the most recent interest payment date to which interest has been paid or provided for. We will pay interest on the Notes on January 15 and July 15 of each year, commencing July 15, 2017 to holders of record at the close of business on the immediately preceding January 1 and July 1.

Interest will be calculated on the basis of a 360-day year comprising twelve 30-day months. Interest on the Notes will be paid by check mailed to the persons in whose names the Notes are registered at the close of business on the applicable record date or, at our option, by wire transfer to accounts maintained by such persons with a bank located in the United States. The principal of the Notes will be paid upon surrender of the Notes at the corporate trust office of the trustee. For so long as the Notes are represented by global Notes, we will make payments of interest by wire transfer to The Depository Trust Company (DTC) or its nominee, which will distribute payments to beneficial holders in accordance with its customary procedures. We will not pay additional amounts for taxes, as described in

Description of Debt Securities Payment of Additional Amounts.

The Notes are not entitled to any sinking fund. The provisions of the indenture described in the accompanying prospectus under Description of Debt Securities Defeasance will apply to the Notes.

S-7

Table of Contents

Ranking

The Notes will be senior unsecured obligations, each ranking equally with all of our existing and future senior indebtedness and senior to any future subordinated indebtedness.

Optional Redemption

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

- (i) 100% of the principal amount of the Notes to be redeemed; or
- (ii) the sum of the present values of the remaining scheduled payments of principal and interest thereon (not including any such portion of such payments of interest accrued as of the date of redemption), discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate (as defined below),

plus 40 basis points, plus accrued interest thereon to the date of redemption.

Notwithstanding the foregoing, installments of interest on Notes that are due and payable on interest payment dates falling on or prior to a redemption date will be payable on the interest payment date to the registered holders as of the close of business on the relevant record date according to the Notes and the Indenture.

Comparable Treasury Issue means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the Notes to be redeemed that would be utilized, at the time of selection in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Notes.

Comparable Treasury Price means, with respect to any redemption date, (i) the average of four Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (ii) if the Quotation Agent obtains fewer than four such Reference Treasury Dealer Quotations, the average of all such quotations, or (iii) if only one Reference Treasury Dealer Quotation is received, such quotation.

Quotation Agent means the Reference Treasury Dealer appointed by us.

Reference Treasury Dealer means (i) Jefferies LLC (or its affiliates that are Primary Treasury Dealers) and their respective successors; provided, however, that if any of the foregoing shall cease to be a primary U.S. Government securities dealer in New York City (a Primary Treasury Dealer), we will substitute therefore another Primary Treasury Dealer, and (ii) any other Primary Treasury Dealer selected by us.

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

Treasury Rate means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as

a percentage of its principal amount) equal to the Comparable Treasury Price of such redemption date.

Notice of any redemption will be sent at least 30 days but not more than 60 days before the redemption date to each registered holder of the Notes to be redeemed. Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Notes or portions thereof called for redemption. If less than all the Notes are to be redeemed, the Notes shall be selected in accordance with the procedures of DTC.

S-8

Table of Contents

Covenants

Limitations on Liens. The indenture provides that we will not, and will not permit any material subsidiary to, incur, issue, assume or guarantee any indebtedness for borrowed money if such indebtedness is secured by a pledge of, lien (other than permitted liens) on, or security interest in any voting stock of any material subsidiary, without effectively providing that each series of senior debt securities and, at our option, any other indebtedness ranking equally and ratably with such indebtedness, is secured equally and ratably with (or prior to) such other secured indebtedness. The indenture defines material subsidiary to be any subsidiary that represents 5% or more of our consolidated net worth as of the date of determination.

Limitations on Mergers and Sales of Assets. The indenture provides that neither Jefferies Group LLC nor Jefferies Group Capital Finance Inc. will merge into, consolidate with or convert into, or convey, transfer or lease its assets substantially as an entirety, and another person may not consolidate with, merge into or convert into either Issuer, unless:

either (1) such Issuer is the continuing corporation, or (2) the successor corporation, if other than such Issuer, is a domestic corporation, partnership or trust and expressly assumes by supplemental indenture the obligations evidenced by the securities issued pursuant to the indenture;

immediately after the transaction, there would not be any default in the performance of any covenant or condition of the indenture;

if as a result of such consolidation or merger or conversion or such conveyance, an Issuer's assets or properties would become subject to a pledge, lien or other similar encumbrance which would not be permitted under the indenture, such Issuer or its successor takes steps as necessary to effectively secure the securities equally and ratably with (or prior to) all indebtedness secured thereby; and

we have delivered an officers' certificate and an opinion of counsel to the trustee as required under the indenture.

For purposes of the indenture, "corporation" is defined to include a corporation, association, company (including a limited liability company), joint-stock company, business trust or other similar entity.

Other than the restrictions described above, the indenture does not contain any covenants or provisions that would protect holders of the Notes in the event of a highly leveraged transaction. Specifically, the indenture does not limit the amount of indebtedness we may incur.

Book-Entry, Delivery and Form

We have obtained the information in this section concerning DTC, Clearstream, Euroclear and the book-entry system and procedures from sources that we believe to be reliable, but we take no responsibility for the accuracy of this information.

The Notes will be issued as fully-registered global Notes which will be deposited with, or on behalf of, The Depository Trust Company, New York, New York, which we refer to as DTC, and registered, at the request of DTC, in the name of Cede & Co. Beneficial interests in the global Notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct or indirect participants in DTC. Investors may elect to hold their interests in the global Notes through either DTC (in the United States) or (in Europe) through Clearstream Banking S.A., or Clearstream, formerly Cedelbank, or through Euroclear Bank S.A./N.V., as operator of the Euroclear System, or Euroclear. Investors may hold their interests in the global Notes directly if they are participants of such systems, or indirectly through organizations that are participants in these systems. Clearstream and Euroclear will hold interests on behalf of their participants through customers securities accounts in Clearstream's and Euroclear's names on the books of their respective depositaries, which in turn will hold these interests in customers securities accounts in the depositaries' names on the books of DTC. Citibank, N.A. will act as depositary for Clearstream and JPMorgan Chase Bank will act as depositary for Euroclear. We will refer to Citibank and JPMorgan Chase Bank in these capacities as the U.S. Depositaries. Beneficial interests in the global Notes will be held in denominations of \$5,000 and integral multiples of \$1,000 in excess thereof. Except as set forth below, the global Notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee.

Table of Contents

Notes represented by a global note can be exchanged for definitive Notes, in registered form only if:

DTC notifies us that it is unwilling or unable to continue as depository for that global note and we do not appoint a successor depository within 90 days after receiving that notice;

at any time DTC ceases to be a clearing agency registered under the Securities Exchange Act of 1934 and we do not appoint a successor depository within 90 days after becoming aware that DTC has ceased to be registered as a clearing agency;

we in our sole discretion determine that global note will be exchangeable for definitive Notes, in registered form and notify the trustee of our decision; or

an event of default with respect to the Notes represented by that global note, has occurred and is continuing. A global note that can be exchanged as described in the preceding sentence will be exchanged for definitive Notes, issued in denominations of \$5,000 and integral multiples of \$1,000 in excess thereof in registered form for the same aggregate amount. The definitive Notes will be registered in the names of the owners of the beneficial interests in the global note as directed by DTC.

We will make principal and interest payments on all Notes represented by a global note to the paying agent which in turn will make payment to DTC or its nominee, as the sole registered owner and the sole holder of the Notes represented by the global note, for all purposes under the indenture. Accordingly, we, the trustee and any paying agent will have no responsibility or liability for:

any aspect of DTC's records relating to, or payments made on account of, beneficial ownership interests in a Note represented by a global note;

any other aspect of the relationship between DTC and its participants or the relationship between those participants and the owners of beneficial interests in a global note held through those participants; or

the maintenance, supervision or review of any of DTC's records relating to those beneficial ownership interests.

DTC has advised us that its current practice is to credit participants' accounts on each payment date with payments in amounts proportionate to their respective beneficial interests in the principal amount of the global note as shown on DTC's records, upon DTC's receipt of funds and corresponding detail information. The underwriter will initially designate the accounts to be credited. Payments by participants to owners of beneficial interests in a global note will be governed by standing instructions and customary practices, as is the case with securities held for customer accounts registered in street name, and will be the sole responsibility of those participants. Book-entry Notes may be more difficult to pledge because of the lack of a physical note.

DTC

So long as DTC or its nominee is the registered owner of a global note, DTC or its nominee, will be considered the sole owner and holder of the Notes represented by that global note for all purposes of the indenture. Owners of beneficial interests in the Notes will not be entitled to have the Notes registered in their names, will not receive or be entitled to receive physical delivery of the Notes in definitive form and will not be considered owners or holders of Notes under the indenture. Accordingly, each person owning a beneficial interest in a global note must rely on the procedures of DTC and, if that person is not a DTC participant, on the procedures of the participant through which that person owns its interest, to exercise any rights of a holder of Notes. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of the securities in certificated form. These laws may impair the ability to transfer beneficial interests in a global note. Beneficial owners may experience delays in receiving distributions on their Notes since distributions will initially be made to DTC and must then be transferred through the chain of intermediaries to the beneficial owner's account.

We understand that, under existing industry practices, if we request holders to take any action, or if an owner of a beneficial interest in a global note desires to take any action which a holder is entitled to take under the indenture, then DTC would authorize the participants holding the relevant beneficial interests to take that action and those participants would authorize the beneficial owners owning through such participants to take that action or would otherwise act upon the instructions of beneficial owners owning through them.

Table of Contents

Beneficial interests in a global note will be shown on, and transfers of those ownership interests will be effected only through, records maintained by DTC and its participants for that global note. The conveyance of notices and other communications by DTC to its participants and by its participants to owners of beneficial interests in the Notes will be governed by arrangements among them, subject to any statutory or regulatory requirements in effect.

DTC has advised us that it is a limited-purpose trust company organized under the New York banking law, a banking organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code and a clearing agency registered under the Securities Exchange Act of 1934.

DTC holds the securities of its participants and facilitates the clearance and settlement of securities transactions among its participants in such securities through electronic book-entry changes in accounts of its participants. The electronic book-entry system eliminates the need for physical certificates. DTC's participants include securities brokers and dealers, including the underwriter, banks, trust companies, clearing corporations and certain other organizations, some of which, and/or their representatives, own DTC. Banks, brokers, dealers, trust companies and others that clear through or maintain a custodial relationship with a participant, either directly or indirectly, also have access to DTC's book-entry system. The rules applicable to DTC and its participants are on file with the Securities and Exchange Commission.

DTC has advised us that the above information with respect to DTC has been provided to its participants and other members of the financial community for informational purposes only and is not intended to serve as a representation, warranty or contract modification of any kind.

Clearstream

Clearstream has advised us that it is incorporated under the laws of Luxembourg as a professional depository. Clearstream holds securities for its participating organizations, or Clearstream Participants, and facilitates the clearance and settlement of securities transactions between Clearstream Participants through electronic book-entry changes in accounts of Clearstream Participants, thereby eliminating the need for physical movement of certificates. Clearstream provides to Clearstream Participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream interfaces with domestic securities markets in several countries. As a professional depository, Clearstream is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector (Commission de Surveillance du Secteur Financier). Clearstream Participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations and may include the underwriter. Clearstream's U.S. Participants are limited to securities brokers and dealers and banks. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream Participant either directly or indirectly.

Distributions with respect to Notes held beneficially through Clearstream will be credited to cash accounts of Clearstream Participants in accordance with its rules and procedures, to the extent received by the U.S. Depository for Clearstream.

Euroclear

Euroclear has advised us that it was created in 1968 to hold securities for participants of Euroclear, or Euroclear Participants, and to clear and settle transactions between Euroclear Participants through simultaneous electronic

book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear performs various other services, including securities lending and borrowing and interacts with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V., or the Euroclear Operator, under contract with Euroclear plc, a U.K. corporation. All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not Euroclear plc. Euroclear plc establishes policy for Euroclear on behalf of Euroclear Participants. Euroclear Participants include banks, including central banks,

S-11

Table of Contents

securities brokers and dealers and other professional financial intermediaries and may include the underwriter. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly.

The Euroclear Operator is a Belgian bank. As such it is regulated by the Belgian Banking and Finance Commission.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law, which we will refer to in this prospectus supplement as the Terms and Conditions. The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear Participants, and has no record of or relationship with persons holding through Euroclear Participants.

Distributions with respect to Notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear Participants in accordance with the Terms and Conditions, to the extent received by the U.S. Depository for Euroclear.

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

Global Clearance and Settlement Procedures

Initial settlement for the Notes will be made in immediately available funds. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled in immediately available funds using DTC's Same-Day Funds Settlement System. Secondary market trading between Clearstream Participants and/or Euroclear Participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream and Euroclear and will be settled using the procedures applicable to conventional eurobonds in immediately available funds.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream Participants or Euroclear Participants, on the other, will be effected through DTC in accordance with DTC rules on behalf of the relevant European international clearing system by its U.S. Depository; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to its U.S. Depository to take action to effect final settlement on its behalf by delivering or receiving Notes through DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream Participants and Euroclear Participants may not deliver instructions directly to their respective U.S. Depositories.

Because of time-zone differences, credits of Notes received through Clearstream or Euroclear as a result of a transaction with a DTC participant will be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Such credits or any transactions in such Notes settled during such

processing will be reported to the relevant Euroclear Participants or Clearstream Participants on such business day. Cash received in Clearstream or Euroclear as a result of sales of Notes by or through a Clearstream Participant or a Euroclear Participant to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the business day following settlement in DTC.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of Notes among participants of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to

S-12

Table of Contents

perform such procedures and such procedures may be modified or discontinued at any time. Neither we nor the paying agent will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective direct or indirect participants of their obligations under the rules and procedures governing their operations.

S-13

Table of Contents**UNDERWRITING**

Subject to the terms and conditions set forth in the purchase agreement, dated January 9, 2017, among us (Jefferies Group LLC), Jefferies Group Capital Finance Inc. and Jefferies LLC, as the representative of the underwriters named below and the sole book-running manager of this offering, we have agreed to sell to the underwriters and each of the underwriters has agreed, severally and not jointly, to purchase from us the principal amount of Notes shown opposite its name below:

UNDERWRITER	PRINCIPAL AMOUNT OF NOTES
Jefferies LLC	\$ 600,000,000
Deutsche Bank Securities Inc.	37,500,000
HSBC Securities (USA) Inc.	37,500,000
Natixis Securities Americas LLC	37,500,000
Citigroup Global Markets Inc.	18,750,000
U.S. Bancorp Investments, Inc.	18,750,000
Total	\$ 750,000,000

The purchase agreement provides that the obligations of the several underwriters are subject to certain conditions precedent such as the receipt by the underwriters of officers' certificates and legal opinions and approval of certain legal matters by their counsel. The purchase agreement provides that the underwriters will purchase all of the Notes if any of them are purchased. We have agreed to indemnify the underwriters and certain of their controlling persons against certain liabilities, including liabilities under the Securities Act, and to contribute to payments that the underwriters may be required to make in respect of those liabilities.

The Notes will constitute a new issue of securities with no established trading market. The underwriters have advised us that, following the completion of this offering, they currently intend to make a market in the Notes as permitted by applicable laws and regulations. However, the underwriters are not obligated to do so, and the underwriters may discontinue any market-making activities at any time without notice in their sole discretion. Accordingly, no assurance can be given as to the liquidity of the trading market for the Notes, that you will be able to sell any of the Notes held by you at a particular time or that the prices that you receive when you sell will be favorable.

The underwriters are offering the Notes subject to their acceptance of the Notes from us and subject to prior sale. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part. In addition, the underwriters have advised us that they do not intend to confirm sales to any account over which they exercise discretionary authority.

Commission and Expenses

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The underwriters have advised us that they propose to offer the Notes to the public at the initial public offering price set forth on the cover page of this prospectus and to certain dealers at that price less a concession not in excess of 0.300% per Note. The underwriters may allow, and certain dealers may reallow, a concession not in excess of 0.250% of the principal amount per Note to certain brokers and dealers. After the offering, the initial public offering price, concession and reallowance to dealers may be reduced by the representative. No such reduction will change the amount of proceeds to be received by us as set forth on the cover page of this prospectus.

The following table shows the public offering price, the underwriting discounts and commissions that we are to pay the underwriters and the proceeds, before expenses, to us in connection with this offering (expressed as a percentage of the principal amount of the Notes).

	PER NOTE	NOTE TOTAL
Public offering price ⁽¹⁾	99.406%	\$ 745,545,000
Underwriting discount paid by us	0.450%	\$ 3,375,000
Proceeds to us, before expenses	98.956%	\$ 742,170,000

⁽¹⁾ Plus accrued interest from January 17, 2017, if settlement occurs after that date.

Table of Contents

We estimate expenses payable by us in connection with this offering, other than the underwriting discounts and commissions referred to above, will be approximately \$475,000.

Listing

We have applied to list the Notes on the NYSE, and we expect trading in the Notes on the NYSE to begin within 30 days after the original issue date.

Stabilization

The underwriters have advised us that they may engage in short sale transactions, stabilizing transactions, syndicate covering transactions or the imposition of penalty bids in connection with this offering. These activities may have the effect of stabilizing or maintaining the market price of the Notes at a level above that which might otherwise prevail in the open market. The underwriters must close out any short position by purchasing Notes in the open market.

A stabilizing bid is a bid for the purchase of Notes on behalf of the underwriters for the purpose of fixing or maintaining the price of the Notes. A syndicate covering transaction is the bid for or the purchase of Notes on behalf of the underwriters to reduce a short position incurred by the underwriters in connection with the offering. Similar to other purchase transactions, the underwriters' purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of the Notes or preventing or retarding a decline in the market price the Notes. As a result, the price of the Notes may be higher than the price that might otherwise exist in the open market. A penalty bid is an arrangement permitting the underwriters to reclaim the selling concession otherwise accruing to a syndicate member in connection with the offering if the Notes originally sold by such syndicate member are purchased in a syndicate covering transaction and therefore have not been effectively placed by such syndicate member.

Neither we nor any of the underwriters makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Notes. The underwriters are not obligated to engage in these activities and, if commenced, any of the activities may be discontinued at any time.

Electronic Distribution

A prospectus in electronic format may be made available by e-mail or on the web sites or through online services maintained by one or more of the underwriters or their affiliates. In those cases, prospective investors may view offering terms online and may be allowed to place orders online. The underwriters may agree with us to allocate a specific number of Notes for sale to online brokerage account holders. Any such allocation for online distributions will be made by the underwriters on the same basis as other allocations. Other than the prospectus in electronic format, the information on the underwriters' web sites and any information contained in any other web site maintained by any of the underwriters is not part of this prospectus, has not been approved and/or endorsed by us or the underwriters and should not be relied upon by investors.

Certain Relationships

The underwriters and certain of their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriters and certain of their affiliates have, from time to time, performed, and may in the future perform, various commercial and investment banking and financial advisory services for us and our affiliates, for which they received or will

receive customary fees and expenses.

In the ordinary course of their various business activities, the underwriters and certain of their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments issued by us and our affiliates. The underwriters and certain of their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

S-15

Table of Contents

Settlement

We expect to deliver the Notes against payment therefor on or about the date specified on the cover page of this prospectus, which will be the fifth business day following the date of the pricing of the Notes (such settlement being referred to as "T+5"). Under Rule 15c6-1 under the Exchange Act, trades in the secondary market are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes prior to the date that is three business days preceding the settlement date will be required, by virtue of the fact that the Notes initially settle in T+5, to specify an alternate settlement arrangement at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes during such period should consult their advisors.

Notice to Prospective Investors in Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus supplement and the accompanying prospectus supplement and prospectus (including any amendment thereto) contain a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts ("NI 33-105"), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Notice to Prospective Investors in the European Economic Area

In relation to each Member State of the European Economic Area (each, a "Relevant Member State"), no offer of Notes may be made to the public in that Relevant Member State other than:

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

to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the representative; or

in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Notes shall require the Company or the representative to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

This prospectus supplement has been prepared on the basis that any offer of Notes in any Relevant Member State will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of the offering contemplated in this prospectus supplement may only do so in circumstances in which no obligation arises for the Company or any of the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither the Company nor the underwriters have authorized, nor do they authorize, the making of any offer of Notes in circumstances in which an obligation arises for the Company or the underwriters to publish a prospectus for such offer.

For the purpose of the above provisions, the expression "an offer to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the

Table of Contents

Notes, as the same may be varied in the Relevant Member State by any measure implementing the Prospectus Directive in the Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (including the 2010 PD Amending Directive) and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Notice to Prospective Investors in the United Kingdom

Each underwriter has represented and agreed that:

it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("FSMA")) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to us; and

it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Notice to Prospective Investors in Switzerland

This prospectus supplement does not constitute an issue prospectus pursuant to Article 652a or Article 1156 of the Swiss Code of Obligations and the Notes will not be listed on the SIX Swiss Exchange. Therefore, this prospectus supplement may not comply with the disclosure standards of the listing rules (including any additional listing rules or prospectus schemes) of the SIX Swiss Exchange. Accordingly, the Notes may not be offered to the public in or from Switzerland, but only to a selected and limited circle of investors who do not subscribe to the Notes with a view to distribution. Any such investors will be individually approached by the underwriters from time to time.

Notice to Prospective Investors in Hong Kong

The Notes may not be offered or sold by means of any document other than: (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), or (ii) to professional investors within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a prospectus within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the Notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Notice to Prospective Investors in Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the "Financial Instruments and Exchange Law") and each underwriter has agreed that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for

re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Notice to Prospective Investors in Singapore

This prospectus supplement and the accompanying prospectus supplement and prospectus have not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus supplement, the accompanying prospectus supplement and prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than: (i) to an institutional investor under Section 274 of the Securities and

S-17

Table of Contents

Futures Act, Chapter 289 of Singapore (the SFA), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 by a relevant person which is: (i) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor or (ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Notes under Section 275 except: (a) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA, (b) where no consideration is given for the transfer or (c) by operation of law.

Table of Contents

CONFLICT OF INTEREST

Jefferies LLC, the broker-dealer subsidiary of Jefferies Group LLC, is a member of FINRA and will participate in the distribution of the Notes. Accordingly, the offering is subject to the provisions of FINRA Rule 5121 regarding conflicts of interests and will be conducted in accordance with the requirements of Rule 5121. Jefferies LLC will not confirm sales of the Notes to any account over which it exercises discretionary authority without the prior written specific approval of the customer.

S-19

Table of Contents

LEGAL MATTERS

The validity of the Notes has been passed on for us by Morgan, Lewis & Bockius LLP, New York, New York. Covington & Burling LLP, New York, New York, is counsel for the underwriters in connection with this offering. Covington & Burling LLP has from time to time acted as counsel for Jefferies Group LLC and its subsidiaries and may do so in the future.

S-20

Table of Contents

EXPERTS

The financial statements of Jefferies Group LLC and its subsidiaries (Successor company) as of November 30, 2015 and November 30, 2014 and for the years ended November 30, 2015 and November 30, 2014, and the nine months ended November 30, 2013, and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) as of November 30, 2015 incorporated herein by reference to the Annual Report on Form 10-K and the financial statement schedules on Form 10-K/A for the years ended November 30, 2015 and November 30, 2014, and the nine months ended November 30, 2013, have been so incorporated in reliance on the reports of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The financial statements of Jefferies Group, Inc. and its subsidiaries (Predecessor company) for the three months ended February 28, 2013 incorporated herein by reference to the Annual Report on Form 10-K and the financial statement schedules on Form 10-K/A for the three months ended February 28, 2013 have been so incorporated in reliance on the reports of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The financial statements of Jefferies Loancore LLC for the year ended November 30, 2015, incorporated herein by reference to Jefferies Group LLC's Annual Report on Form 10-K for the year ended November 30, 2015, have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, independent accountants, given on the authority of said firm as experts in auditing and accounting.

The consolidated financial statements of Jefferies Finance LLC and Subsidiaries, incorporated in this prospectus by reference from Jefferies Group LLC's Annual Report on Form 10-K for the year ended November 30, 2015, have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated herein by reference. Such consolidated financial statements have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

Table of Contents

WHERE YOU CAN FIND MORE INFORMATION

As required by the Securities Act of 1933, we filed a registration statement relating to the securities offered by this prospectus with the Securities and Exchange Commission. This prospectus is a part of that registration statement, which includes additional information.

We file annual, quarterly and current reports and other information with the SEC. You may read and copy any document we file at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. These SEC filings are also available to the public from the SEC's web site at <http://www.sec.gov>.

S-22

Table of Contents

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC allows us to incorporate by reference the information we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus. Information that we file later with the SEC will automatically update information in this prospectus. In all cases, you should rely on the later information over different information included in this prospectus or the prospectus supplement. We incorporate by reference the documents listed below and any future filings made with the SEC under Section 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934 until this offering is completed:

Annual Report on Form 10-K for the fiscal year ended November 30, 2015, filed on January 29, 2016; as amended by our Form 10-K/A filed with the SEC on March 11, 2016; and

Quarterly Reports on Form 10-Q for the quarters ended February 29, 2016, May 31, 2016 and August 31, 2016, filed on April 8, 2016, July 8, 2016 and October 5, 2016, respectively.

All documents we file pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and before the later of the completion of the offering of the securities described in this prospectus and the date our affiliates stop offering securities pursuant to this prospectus shall be incorporated by reference in this prospectus from the date of filing of such documents.

You may obtain copies of these documents, at no cost to you, from our Internet website (www.jefferies.com), or by writing or telephoning us at the following address:

Investor Relations

Jefferies Group LLC

520 Madison Avenue

New York, New York 10022

(212) 284-2550

S-23

Table of Contents**PROSPECTUS SUPPLEMENT**

(to Prospectus dated February 4, 2016)

Jefferies Group LLC

We made immaterial correcting adjustments to our historical Consolidated Statements of Cash Flows for the three months ended February 29, 2016, the year ended November 30, 2015, the nine months ended August 31, 2015, the three months ended February 28, 2015, the year ended November 30, 2014, the nine months ended November 30, 2013 and the three months ended February 28, 2013. The adjustments below relate to a classification error in the reporting of net change in bank overdrafts within our Consolidated Statements of Cash Flows. The adjustments have no effect on our Consolidated Statements of Financial Condition, the Consolidated Statements of Earnings, the Consolidated Statements of Changes in Equity or the Consolidated Statements of Comprehensive Income for these periods and are not material to our financial statements for any reported period.

The following equal and offsetting correcting adjustments were made to the net change in Accrued expenses and other liabilities and the net change in bank overdrafts for the three months ended February 29, 2016, the year ended November 30, 2015, the nine months ended August 31, 2015, the three months ended February 28, 2015, the year ended November 30, 2014, the nine months ended November 30, 2013 and the three months ended February 28, 2013.

(in thousands)	SUCCESSOR			PREDECESSOR
	YEAR ENDED NOVEMBER 30, 2015	YEAR ENDED NOVEMBER 30, 2014	NINE MONTHS ENDED NOVEMBER 30, 2013	THREE MONTHS ENDED FEBRUARY 28, 2013
<u>Increase (decrease)</u>				
Net change in accrued expenses and other liabilities	\$ (29,295)	\$ (20,974)	\$ 2,025	\$ 802
Net change in bank overdrafts	29,295	20,974	(2,025)	(802)

(in thousands)	THREE MONTHS ENDED FEBRUARY 29, 2016	THREE MONTHS ENDED FEBRUARY 28, 2015	NINE MONTHS ENDED AUGUST 31, 2015
	<u>Increase (decrease)</u>		
Net change in accrued expenses and other liabilities	\$ 41,978	\$ 9,467	\$ (24,466)
Net change in bank overdrafts	(41,978)	(9,467)	24,466

These adjustments had similar impacts on the Net change in cash (used in) provided by operating activities and the Net change in cash (used in) provided by financing activities contained within the Consolidated Statements of Cash Flows.

Table of Contents

The following tables set forth the adjustments and revisions to our Consolidated Statements of Cash Flows for the periods presented:

	SUCCESSOR				NINE MONTHS ENDED		PREDECESSOR	
	YEAR ENDED		YEAR ENDED		NOVEMBER 30,		THREE MONTHS	
	NOVEMBER 30,		NOVEMBER 30,		NOVEMBER 30,		ENDED	
	2015		2014		2013		FEBRUARY 28,	
	AS		AS		AS		AS	
(in thousands)	ORIGINALLY	AS	ORIGINALLY	AS	ORIGINALLY	AS	ORIGINALLY	AS
	REPORTED	REVISED	REPORTED	REVISED	REPORTED	REVISED	REPORTED	REVISED
Operating activities								
Increase (decrease) in accrued expenses and other liabilities	\$ (230,370)	\$ (259,665)	\$ 69,459	\$ 48,485	\$ 414,515	\$ 416,540	\$ (267,336)	\$ (266,534)
Net cash provided by (used in) operating activities	(210,092)	(239,387)	(6,939)	(27,913)	745,210	747,235	(394,170)	(393,368)
Financing activities								
Net change in bank overdrafts	\$	\$ 29,295	\$	\$ 20,974	\$	\$ (2,025)	\$	\$ (802)
Net cash provided by (used in) financing activities	(218,489)	(189,194)	813,331	834,305	(277,743)	(279,768)	733,538	732,736
	THREE MONTHS ENDED		THREE MONTHS ENDED		NINE MONTHS ENDED			
	FEBRUARY 29,		FEBRUARY 28,		AUGUST 31,			
	2016		2015		2015			

(in thousands)	AS ORIGINALLY REPORTED	AS REVISED	AS ORIGINALLY REPORTED	AS REVISED	AS ORIGINALLY REPORTED	AS REVISED
Operating activities						
Increase (decrease) in accrued expenses and other liabilities	\$ (247,374)	\$ (205,396)	\$ (494,018)	\$ (484,551)	\$ (204,520)	\$ (228,986)
Net cash provided by (used in) operating activities	(1,099,977)	(1,057,999)	(1,369,533)	(1,360,066)	(608,688)	(633,154)
Financing activities						
Net change in bank overdrafts	\$	\$ (41,978)	\$	\$ (9,467)	\$	\$ 24,466
Net cash provided by (used in) financing activities	201,557	159,579	690,021	680,554	31,233	55,699

This prospectus supplement is dated August 5, 2016

Table of Contents

PROSPECTUS

JEFFERIES GROUP LLC

Debt Securities

Warrants

Purchase Contracts

Units

The securities may be offered in one or more series, in amounts, at prices and on terms to be determined at the time of the offering. Jefferies Group LLC and Jefferies Group Capital Finance Inc. may offer the securities as co-issuers.

We will provide the specific terms of these securities in supplements to this prospectus. You should read this prospectus and the accompanying prospectus supplement carefully before you invest.

Investing in the securities involves risks. See the Risk Factors section on page 4, as well as in our latest Annual Report on Form 10-K filed with the Securities and Exchange Commission, which we refer to as the SEC, and any updates to those risk factors or new risk factors contained in our subsequent Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC, all of which we incorporate by reference herein.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or determined if this prospectus or any accompanying prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.

Jefferies Group LLC and Jefferies Group Capital Finance Inc. may use this prospectus in the initial sale of these securities. In addition, Jefferies LLC or another affiliate of Jefferies Group LLC may use this prospectus in a market-making or other transactions as principal in any of these securities after their initial issuance and sale. UNLESS JEFFERIES GROUP LLC OR ITS AGENT INFORMS THE PURCHASER OTHERWISE IN THE CONFIRMATION OF SALE, THIS PROSPECTUS IS BEING USED IN A MARKET-MAKING OR OTHER PRINCIPAL TRANSACTION.

This prospectus is dated February 4, 2016

Table of Contents

EXPLANATORY NOTE

The prospectus contained herein relates to all of the following:

the initial offering of debt securities, warrants, purchase contracts and units issuable by Jefferies Group LLC, either separately or together with Jefferies Group Capital Finance Inc., as co-issuers;

the offering of such securities by the holders thereof; and

market-making or other transactions as principal by one or more affiliates of the registrants from time to time in (1) the securities described above after they are initially offered and sold, and (2) the securities of one or more of the same classes that were initially registered under registration statements previously filed by Jefferies Group LLC (formerly Jefferies Group, Inc.) and that were initially offered and sold prior to the date of the prospectus contained herein (but are now registered hereunder with respect to ongoing market-making or other transactions as principal by such affiliates).

When the prospectus is delivered to an investor in an initial or a secondary offering described above, the investor will be informed of that fact in the confirmation of sale or in a prospectus supplement. When the prospectus is delivered to an investor who is not so informed, it is delivered in a market-making or other principal transaction.

To the extent required, the information in the prospectus, including financial information, will be updated at the time of each offering. Upon each such offering, a prospectus supplement to the base prospectus will be filed.

Table of Contents

TABLE OF CONTENTS

	PAGE
<u>SUMMARY</u>	1
<u>RISK FACTORS</u>	4
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	7
<u>INCORPORATION OF CERTAIN INFORMATION BY REFERENCE</u>	8
<u>DESCRIPTION OF SECURITIES WE MAY OFFER</u>	9
<u>DEBT SECURITIES</u>	9
<u>WARRANTS</u>	18
<u>PURCHASE CONTRACTS</u>	21
<u>UNITS</u>	23
<u>FORM, EXCHANGE AND TRANSFER</u>	26
<u>BOOK-ENTRY PROCEDURES AND SETTLEMENT</u>	29
<u>RATIO OF EARNINGS TO FIXED CHARGES</u>	32
<u>USE OF PROCEEDS</u>	33
<u>PLAN OF DISTRIBUTION</u>	34
<u>CONFLICTS OF INTEREST</u>	35
<u>MARKET-MAKING AND PRINCIPAL REALES BY AFFILIATES</u>	36
<u>MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES</u>	37
<u>CERTAIN ERISA CONSIDERATIONS</u>	48
<u>LEGAL MATTERS</u>	50
<u>EXPERTS</u>	51
Table of Contents	52

You should rely only on the information provided in this prospectus and any applicable prospectus supplement, as well as the information incorporated by reference. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information in this prospectus, any applicable prospectus supplement or any documents incorporated by reference is accurate as of any date other than the date of the applicable document.

Table of Contents

SUMMARY

*This summary highlights information contained elsewhere in this prospectus or incorporated by reference into this prospectus as further described below under **Incorporation of Certain Information by Reference** . This summary does not contain all the information that you should consider before investing in the securities being offered by this prospectus. You should carefully read the entire prospectus, any applicable prospectus supplement and the documents incorporated by reference into this prospectus and any applicable prospectus supplement.*

Unless otherwise specified, the terms Issuers, we, our, and us as used herein, refer to Jefferies Group LLC and Jefferies Group Capital Finance Inc., its wholly-owned subsidiary, as Co-Issuers of the securities offered hereby. The terms the Company and Jefferies Group refers to Jefferies Group LLC, alone.

About Us

Jefferies Group and its subsidiaries operate as a global full service, integrated securities and investment banking firm. The Company's principal operating subsidiary, Jefferies LLC, was founded in the U.S. in 1962 and its first international operating subsidiary, Jefferies International Limited, was established in the U.K. in 1986. On March 1, 2013, Jefferies Group, Inc. converted into a limited liability company (renamed Jefferies Group LLC) and became an indirect wholly owned subsidiary of Leucadia National Corporation (Leucadia). Richard Handler, the Company's Chief Executive Officer and Chairman, is also the Chief Executive Officer of Leucadia, as well as a director of Leucadia. Brian P. Friedman, the Chairman of the Company's Executive Committee, is also Leucadia's President and a director of Leucadia. Jefferies Group LLC retains a credit rating separate from Leucadia and is an SEC reporting company, filing annual, quarterly and periodic reports.

The Company currently operates in two business segments, Capital Markets and Asset Management. Its Capital Markets reportable segment, which principally represents the Company's entire business, consists of the Company's securities trading activities and its investment banking activities. The Capital Markets reportable segment provides the sales, trading and/or origination and execution effort for various equity, fixed income, foreign exchange and advisory products and services. The Asset Management segment includes asset management activities and related services.

The Company's global headquarters and executive offices are located at 520 Madison Avenue, New York, New York 10022. The Company also has regional headquarters in London and Hong Kong. Its primary telephone number is (212) 284-2550 and its Internet address is jefferies.com. Information on its website is not incorporated by reference into, and should not be deemed to constitute a part of, this prospectus. Jefferies Group Capital Finance Inc. (the Co-Issuer) is a Delaware corporation that was formed in 2016 for the sole purpose of co-issuing the securities offered hereby.

Securities We May Offer

We may offer any of the following securities from time to time:

debt securities;

warrants;

purchase contracts; and

units, comprised of one or more debt securities, warrants or purchase contracts described in this prospectus, as well as debt or equity securities of third parties, in any combination.

When we use the term security or securities in this prospectus, we mean any of the securities we may offer with this prospectus, unless we say otherwise. This prospectus, including the following summary, describes the general terms that may apply to the securities; the specific terms of any particular securities that we may offer will be described in the applicable prospectus supplement to this prospectus and may differ from the general terms described herein.

Table of Contents

Debt Securities

The debt securities will be our unsecured obligations and will be either senior debt or subordinated debt. The debt securities may be exchangeable for securities of other issuers. The particular terms of a series of debt securities we offer will be described in more detail in an accompanying prospectus supplement. The prospectus supplement for any offered series of debt securities will describe the applicable terms of the series, including: the title; whether the debt is senior or subordinated; whether the debt securities are exchangeable for other securities; the total principal amount offered; the offering price and, if applicable, the method of determining the price; the maturity date or dates; whether the debt securities are fixed rate debt securities or floating rate debt securities; if the debt securities are fixed rate debt securities, the yearly rate at which the debt security will bear interest, if any, and the interest payment dates; if the debt security is an original issue discount debt security, the yield to maturity; if the debt securities are floating rate debt securities, the interest rate basis; the terms and conditions on which the debt securities may be redeemed at our option; any obligation of ours to redeem, purchase or repay the debt securities at the option of a holder upon the happening of any event and the terms and conditions of redemption, purchase or repayment; and any other specific terms of the debt securities. We will issue the senior and subordinated debt securities under separate debt indentures (as described in Description of Securities We May Offer Debt Securities), each among us and The Bank of New York Mellon, as trustee.

Warrants

We may issue warrants for the purchase of our debt securities, as well as warrants for the purchase or sale of, or whose cash value is determined by reference to the performance, level or value of, one or more of the following: securities or other property of one or more issuers, including securities issued by us and described in this prospectus or debt or equity securities issued by other issuers; a currency or currencies; a commodity or commodities; and other financial, economic or other measure or instrument, including the occurrence or non-occurrence of any event or circumstances, or one or more indices or baskets of these items.

The prospectus supplement will contain the specific terms of the warrants and any warrant agreement, including whether the warrants will be settled by delivery of the underlying securities or other property or in cash. We may issue the warrants under a warrant indenture among us and The Bank of New York Mellon, as trustee, or under warrant agreements among us and one or more warrant agents.

Purchase Contracts

We may issue purchase contracts requiring the holders to purchase or sell:

securities issued by us or by an entity affiliated or not affiliated with us, a basket of those securities, an index or indices of those securities or any other property;

currencies;

commodities;

any other property;

one or more indices;

any other financial, economic or other measure or instrument, including the occurrence or non-occurrence of any event or circumstance; or

any combination of the above.

For any particular purchase contract we offer, in the applicable prospectus supplement, we will describe the specific terms of the purchase contracts, including whether we will satisfy our obligations, if any, or you will satisfy your obligations, if any, under any purchase contracts by delivering the underlying securities, currencies, commodities or other property or their cash value. We may issue purchase contracts under an indenture or a unit agreement.

Table of Contents

Units

As specified in the applicable prospectus supplement, we may issue units consisting of one or more purchase contracts, warrants, debt securities of ours or other issuers or any combination of such securities. The applicable prospectus supplement will describe:

the terms of the units and of the purchase contracts, warrants, debt securities or other securities, comprising the units, including whether and under what circumstances the securities comprising the units may be traded separately;

a description of the terms of any unit agreement governing the units; and

a description of the provisions for the payment, settlement, transfer or exchange of the units.

Form of Securities

We will issue the securities in book-entry form through one or more depositories, such as The Depository Trust Company, Euroclear or Clearstream, named in the applicable prospectus supplement. Each sale of a security in book-entry form will settle in immediately available funds through the applicable depository, unless otherwise stated. We will issue the securities only in registered form, without coupons, although we may issue the securities in bearer form if so specified in the applicable prospectus supplement.

Payment Currencies

Amounts payable in respect of the securities, including the original issue price, will be payable in U.S. dollars, unless specified otherwise in the applicable prospectus supplement.

Listing

If any securities are to be listed or quoted on a securities exchange or quotation system, the information will be set forth in the applicable prospectus supplement.

Use of Proceeds

Unless otherwise set forth in the applicable prospectus supplement, we intend to use the net proceeds from the sale of the securities we offer by this prospectus for general corporate purposes, which may include, among other things, additions to working capital; the redemption or repurchase of outstanding securities; the repayment of indebtedness; and/or the expansion of our business through internal growth or acquisitions.

Market-Making and Other Transactions as Principal by Our Affiliates

Following the initial distribution of an offering of securities, Jefferies LLC, Jefferies International Limited or another affiliate of ours may offer and sell those securities (which may include securities registered under previous registration statements) in the course of their businesses as broker dealers. Jefferies LLC, Jefferies International Limited and other affiliates of ours may act as a principal or agent in these transactions. This prospectus and the applicable prospectus

supplement will also be used in connection with those transactions. Sales in any of those transactions will be made at varying prices related to prevailing market prices and other circumstances at the time of sale.

Conflict of Interest

Jefferies LLC, the broker-dealer subsidiary of Jefferies Group and an affiliate of Jefferies Group Capital Finance Inc., is a member of the Financial Industry Regulatory Authority, Inc. (FINRA) and may participate in distributions of the offered securities. As such, Jefferies LLC will have a conflict of interest in any offering of securities within the meaning of FINRA Rule 5121. Accordingly, any such offerings in which Jefferies LLC participates will conform to the requirements set forth in FINRA Rule 5121. Furthermore, any underwriters offering the offered securities will not confirm sales to any accounts over which they exercise discretionary authority without the prior approval of the customer.

Table of Contents

RISK FACTORS

For a discussion of risk factors affecting Jefferies Group LLC and its business, see the Risk Factors section in the latest Annual Report on Form 10-K filed by Jefferies Group with the SEC and any updates to those risk factors or new risk factors contained in our subsequent Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC, all of which we incorporate by reference herein.

Additional risks specific to particular securities may be detailed in the applicable prospectus supplement.

Our debt securities are subject to our credit risk and will be effectively subordinated to liabilities of the Company's subsidiaries.

Our debt securities will be the joint and several obligations of Jefferies Group LLC and Jefferies Group Capital Finance Inc. exclusively and will not be guaranteed by Leucadia National Corporation, our parent, or by any of the Company's subsidiaries or affiliates or secured by any of our or their properties or assets. Jefferies Group LLC is a holding company and a wholly owned subsidiary of Leucadia. Jefferies Group Capital Finance Inc., a wholly-owned subsidiary of the Company, has nominal assets and conducts no operations. The Company conducts almost all of its operations through its subsidiaries and a significant portion of its consolidated assets are held by its subsidiaries. Accordingly, its cash flow and our ability to service debt are in large part dependent upon the results of operations of the Company's subsidiaries and upon the ability of the Company's subsidiaries to provide cash to the Company (whether in the form of dividends, loans or otherwise) to pay amounts due in respect of the Company's obligations, to pay any amounts due on the Company's securities or to make any funds available to pay such amounts. In addition, dividends, loans and other distributions from the Company's subsidiaries are subject to restrictions imposed by law, including minimum net capital requirements, are contingent upon results of operations of such subsidiaries and are subject to various business considerations.

Changes in our credit ratings and other factors may affect the trading value of our debt securities.

Our credit ratings are an assessment of our ability to pay our obligations. Consequently, our perceived creditworthiness and any real or anticipated changes in our credit ratings may affect the trading value of our debt securities. Increases in credit spreads prior to the maturity of our securities may also affect their market value. Accordingly, an improvement in our credit ratings will not reduce other factors that may affect the market value of those securities.

If our debt securities are redeemed early or accelerated, you will be exposed to reinvestment risk.

The stated terms of our debt securities may be limited by any optional redemption or acceleration feature described in the relevant prospectus supplement. No further payments will be made on the securities after they their early redemption or payment. If the securities are redeemed early or accelerated, the term of your investment in those securities will be limited to a period that is shorter than their original term. There is no guarantee that you will be able to reinvest the proceeds from such an investment at a comparable return for a similar level of risk in the event that those securities are redeemed early or accelerated.

Investments in securities denominated in foreign currencies are subject to certain additional risks.

Investments in securities that are denominated or payable in, or the payment of which is linked to the value of, a currency other than U.S. dollars are subject to additional risks, including the risks described in the risk factors set forth below. Investments in these securities may not be appropriate for investors who are not sophisticated in foreign

currency transactions.

Exchange rates and exchange controls may affect the value of, or return on, securities denominated or payable in foreign currencies.

General Exchange Rate and Exchange Control Risks. An investment in a security that is denominated or payable in, or the payment of which is linked to the value of, currencies other than U.S. dollars entails significant risks. These risks include the possibility of significant changes in rates of exchange between U.S. dollars and the relevant foreign currencies and the possibility of the imposition or modification of exchange controls by the relevant governmental entities. These risks generally depend on economic and political events over which we have no control.

Table of Contents

Exchange Rates Will Affect the Holder's Investment. In recent years, rates of exchange between some currencies have been highly volatile and this volatility may continue in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations that may occur during the term of any security. Depreciation against the U.S. dollar of the currency in which a security is payable would result in a decrease in the effective yield of the security below its coupon rate or in the payout of the security and could result in an overall loss to the holder on a U.S. dollar basis. In addition, depending on the specific terms of a currency-linked security, changes in exchange rates relating to any of the relevant currencies could result in a decrease in its effective yield and in the holder's loss of all or a substantial portion of the value of that security.

There May Be Specific Exchange Rate Risks Applicable to Warrants and Purchase Contracts. Fluctuations in the rates of exchange between U.S. dollars and any other currency (i) in which the exercise price of a warrant or the purchase price of a purchase contract is payable, (ii) in which the value of the property underlying a warrant or purchase contract is quoted or (iii) to be purchased or sold by exercise of a warrant or pursuant to a purchase contract or in the rates of exchange among any of these currencies may change the value of a warrant, a purchase contract or a unit that includes a warrant or purchase contract. The holder may lose money on their investment as a result of these fluctuations, even if the spot price of the property underlying the warrant or purchase contract were such that the warrant or purchase contract appeared to be in the money.

We Have No Control Over Exchange Rates. Currency exchange rates can either float or be fixed by sovereign governments. Exchange rates of most economically developed nations are permitted to fluctuate in value relative to each other. However, from time to time governments may use a variety of techniques, such as intervention by a country's central bank, the imposition of regulatory controls or taxes or changes in interest rates to influence the exchange rates of their currencies. Governments may also issue a new currency to replace an existing currency or alter the exchange rate or relative exchange characteristics by a devaluation or revaluation of a currency. These governmental actions could change or interfere with currency valuations and currency fluctuations that would otherwise occur in response to economic forces, as well as in response to the movement of currencies across borders.

As a consequence, these government actions could adversely affect yields or payouts in U.S. dollars for (i) securities denominated or payable in currencies other than the U.S. dollar, (ii) currency-linked securities, (iii) warrants or purchase contracts where the exercise price or the purchase price is denominated in a currency other than U.S. dollars or where the value of the property underlying the warrants or purchase contracts is quoted in a currency other than U.S. dollars and (iv) warrants or purchase contracts to purchase or sell foreign currency.

We will not make any adjustment or change in the terms of the securities in the event that exchange rates should become fixed, or in the event of any devaluation or revaluation or imposition of exchange or other regulatory controls or taxes, or in the event of other developments affecting the U.S. dollar or any applicable foreign currency. The holder will bear those risks.

Some Foreign Currencies May Become Unavailable. Governments have imposed from time to time, and may in the future impose, exchange controls that could also affect the availability of a specified currency. Even if there are no actual exchange controls, it is possible that the applicable currency for any security would not be available when payments on that security are due.

Alternative Payment Method Used if Payment Currency Becomes Unavailable. Unless otherwise specified in the applicable prospectus supplement, if a payment currency is unavailable, we would make required payments in U.S. dollars on the basis of the market exchange rate, which might be an extremely unfavorable rate at the time of any such unavailability. However, if the applicable currency for any security is not available because the euro has been substituted for that currency, we would make the payments in euro.

Currency conversions may affect payments on some securities

The applicable prospectus supplement may provide for (i) payments on a non-U.S. dollar denominated security to be made in U.S. dollars or (ii) payments on a U.S. dollar denominated security to be made in a currency other than U.S. dollars. In these cases, the exchange rate agent identified in the applicable prospectus supplement, will convert the currencies. The holder will bear the costs of conversion through deductions from those payments. The exchange rate agent may be an affiliate of ours.

Table of Contents

Exchange rates may affect the value of a New York judgment involving non-U.S. dollar securities

The securities will be governed by and construed in accordance with the laws of the State of New York. If a New York court were to enter a judgment in an action on any securities denominated in a foreign currency, such court would enter a judgment in the foreign currency and convert the judgment or decree into U.S. dollars at the prevailing rate of exchange on the date such judgment or decree is entered.

Table of Contents

WHERE YOU CAN FIND MORE INFORMATION

As required by the Securities Act of 1933, as amended, we filed a registration statement relating to the securities offered by this prospectus with the Securities and Exchange Commission (the "SEC"). This prospectus is a part of that registration statement, and does not contain all of the information in the registration statement.

Jefferies Group files annual, quarterly and current reports and other information with the SEC. You may read and copy any document we file at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. These SEC filings are also available to the public from the SEC's web site at <http://www.sec.gov>.

Table of Contents

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC allows us to incorporate by reference the information we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus. Information that we file later with the SEC will automatically update information in this prospectus. In all cases, you should rely on the later information over different information included in this prospectus or the prospectus supplement. You should not assume that the information in any document incorporated by reference into this prospectus and into any accompanying prospectus supplement is current as of any date other than the date of that document.

We incorporate by reference the documents listed below and any future filings made with the SEC under Section 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act):

Jefferies Group s Annual Report on Form 10-K for the year ended November 30, 2015, filed on January 29, 2016.

All documents we file pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and before the later of the completion of the offering of the securities described in this prospectus and the date our affiliates stop offering securities pursuant to this prospectus shall be incorporated by reference in this prospectus from the date of filing of such documents. Each subsequently filed document pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act should be deemed to supersede entirely each earlier filed document and, unless explicitly stated otherwise, such earlier documents should not be deemed to be part of this prospectus or any accompanying prospectus supplement and you should not rely upon statements made in those earlier filed documents. In all cases, you should rely on the later information over different information in this prospectus or any accompanying prospectus supplement.

You may obtain copies of these documents, at no cost to you, from our Internet website (www.jefferies.com), or by writing or telephoning us at the following address:

Investor Relations

Jefferies Group LLC

520 Madison Avenue

New York, New York 10022

(212) 284-2550

Table of Contents

DESCRIPTION OF SECURITIES WE MAY OFFER

Debt Securities

Please note that in this section entitled Debt Securities, unless otherwise specified, the terms Issuers, we, our, and us, as used herein, refer to Jefferies Group LLC and Jefferies Group Capital Finance Inc., its wholly-owned subsidiary, as Co-Issuers of the debt securities offered hereby. The terms the Company and Jefferies Group refers to Jefferies Group LLC, alone. Jefferies Group Capital Finance Inc. is a 100%-owned finance subsidiary of Jefferies Group LLC with nominal assets which conducts no operations. The Issuers will be jointly and severally liable for all obligations under the securities offered hereby that they co-issue. Also, in this section, references to holders mean those who own debt securities registered in their own names, on the books that we or the indenture trustee maintains for this purpose, and not those who own beneficial interests in debt securities registered in street name or in debt securities issued in book-entry form through one or more depositaries. Owners of beneficial interests in the debt securities should read the section below entitled Book-Entry Procedures and Settlement .

General

The debt securities offered by this prospectus will be our unsecured obligations and will be either senior debt or subordinated debt which may, or may not, be exchangeable for other securities. We will issue senior debt under a senior debt indenture, subordinated debt under a subordinated debt indenture and exchangeable debt under an exchangeable debt indenture. In addition, this prospectus may be used for the offer and sale of debt securities previously issued by the Company under an Indenture, dated as of March 12, 2002, as amended or supplemented from time to time, by and between Jefferies Group, Inc. and The Bank of New York Mellon, as Trustee (the 2002 Indenture) and an Indenture (Convertible Securities), dated as of October 26, 2009, as amended or supplemented from time to time, by and between Jefferies Group, Inc. and The Bank of New York Mellon, as Trustee (the 2009 Convertible Indenture) in market-making or other transactions as principal. We may also issue debt securities under the 2002 Indenture and the Indenture (Subordinated Securities), to be entered into between Jefferies Group LLC and The Bank of New York Mellon, as trustee, which is incorporated by reference to Exhibit 4.5 to Jefferies Group LLC's Form S-3 Registration Statement filed on April 1, 2013 (the 2013 Indenture). We sometimes refer to these indentures individually as an indenture and collectively as the indentures. None of the indentures limit our ability to incur additional senior indebtedness or subordinated indebtedness. The 2002 Indenture and the 2009 Convertible Indenture are incorporated by reference to Exhibit 4.1 to Jefferies Group Inc.'s Form S-3 Registration Statement filed on May 22, 2012 and Exhibit 4.2 to Jefferies Group Inc.'s Form S-3 Registration Statement filed on May 22, 2012, respectively. Forms of the senior debt indenture and the subordinated debt indenture are filed as exhibits to the registration statement of which this prospectus forms a part. We will file the exchangeable debt indenture as an exhibit to a Current Report on Form 8-K at such time as we enter into such indenture. You can obtain copies of the indentures by following the directions outlined in Where You Can Find More Information , or by contacting the applicable indenture trustee.

Jefferies Group LLC, as sole issuer, may also issue senior debt securities under the 2002 Indenture or subordinated debt securities under the aforementioned Indenture (Subordinated Securities).

The following briefly summarizes the material provisions of the indentures and the debt securities, other than pricing and related terms disclosed for a particular issuance in an accompanying prospectus supplement. You should read the more detailed provisions of the applicable indenture, including the defined terms, for provisions that may be important to you. You should also read the particular terms of a series of debt securities, which will be described in more detail in an accompanying prospectus supplement. So that you may easily locate the more detailed provisions, the numbers in parentheses below refer to sections in the applicable indenture or, if no indenture is specified, to sections in each of

the indentures. Wherever particular sections or defined terms of the applicable indenture are referred to, such sections or defined terms are incorporated into this prospectus by reference, and the statement in this prospectus is qualified by that reference.

Unless otherwise provided for a particular issuance in an accompanying prospectus supplement, the trustee under each of the indentures will be The Bank of New York Mellon. The trustee has two main roles. First, the trustee can enforce your rights against us if we default. There are some limitations on the extent to which the trustee acts on

Table of Contents

your behalf, which we describe below. Second, the trustee performs administrative duties for us, such as sending you interest payments and notices. When we refer to the trustee with respect to any debt securities, we mean the trustee under that indenture.

The indentures provide that our unsecured senior or subordinated debt securities may be issued in one or more series, with different terms, in each case as we authorize from time to time. The provisions of each indenture allow us not only to issue debt securities with terms different from those of debt securities previously issued under that indenture, but also to reopen previously issued debt securities and issue additional debt securities as the same series, with the same CUSIP number, stated maturity, interest payment dates, if any, and other terms, except for the date of issuance and issue price.

Types of Debt Securities

Senior Debt

Senior debt will rank on an equal basis with all our other unsecured debt except subordinated debt.

Subordinated Debt

Subordinated debt will rank subordinated and junior in right of payment, to the extent set forth in the subordinated debt indenture, to all our senior debt.

If we default in the payment of any principal of, or premium, if any, or interest on any senior debt when it becomes due and payable after any applicable grace period then, unless and until the default is cured or waived or ceases to exist, we cannot make a payment on account of or redeem or otherwise acquire the subordinated debt securities.

If there is any insolvency, bankruptcy, liquidation or other similar proceeding relating to us or our property, then all senior debt must be paid in full before any payment may be made to any holders of subordinated debt securities.

Furthermore, if we default in the payment of the principal of and accrued interest on any subordinated debt securities that is declared due and payable upon an event of default under the subordinated debt indenture, holders of all our senior debt will first be entitled to receive payment in full in cash before holders of such subordinated debt can receive any payments.

Senior debt means all indebtedness and obligations (other than the securities) of, or guaranteed or assumed by, us that are for borrowed money or are evidenced by bonds, debentures, notes or other similar instruments, whether outstanding on the date of the subordinated indenture or thereafter created, incurred, assumed or guaranteed, and all amendments, renewals, extensions, modifications and refundings of such indebtedness and obligations, unless in any such case the instrument by which such indebtedness or obligations are created, incurred, assumed or guaranteed by us, or are evidenced, provides that they are subordinate, or are not superior, in right of payment to the securities.

Fixed and Floating Rate Debt

We may issue fixed or floating rate debt securities.

Fixed rate debt securities will bear interest at a fixed rate described in the prospectus supplement. This type includes zero coupon debt securities, which bear no interest and are often issued at a price lower than the principal amount. Material federal income tax consequences and other special considerations applicable to any debt securities issued at a

discount will be described in the applicable prospectus supplement.

Upon the request of the holder of any floating rate debt security, the calculation agent will provide the interest rate then in effect for that debt security, and, if determined, the interest rate that will become effective on the next interest reset date. The calculation agent's determination of any interest rate, and its calculation of the amount of interest for any interest period, will be final and binding in the absence of manifest error. Jefferies Derivative Products LLC, a subsidiary of Jefferies Group and an affiliate of the Co-Issuer, will be the calculation agent unless the applicable prospectus supplement states otherwise.

All percentages resulting from any interest rate calculation relating to a debt security will be rounded upward or downward, as appropriate, to the next higher or lower one hundred-thousandth of a percentage point. All amounts used in or resulting from any calculation relating to a debt security will be rounded upward or downward, as

Table of Contents

appropriate, to the nearest cent, in the case of U.S. dollars, or to the nearest corresponding hundredth of a unit, in the case of a currency other than U.S. dollars, with one-half cent or one-half of a corresponding hundredth of a unit or more being rounded upward.

In determining the base rate that applies to a floating rate debt security during a particular interest period, the calculation agent may obtain rate quotes from various banks or dealers active in the relevant market, as described in the prospectus supplement. Those reference banks and dealers may include the calculation agent itself and its affiliates, as well as any underwriter, dealer or agent participating in the distribution of the relevant floating rate debt securities and its affiliates, and they may include our affiliates.

Indexed Debt Securities

This type of debt security provides that the principal amount payable at its maturity, and/or the amount of interest payable on an interest payment date, will be determined by reference to:

securities of one or more issuers;

currencies;

commodities;

indices;

any other financial, economic or other measure or instrument, including the occurrence or non-occurrence of any event or circumstance; and/or

baskets of the items described above.

An indexed debt security may provide for cash settlement or for physical settlement by delivery of the underlying security or another property of the type listed above. An indexed debt security may also provide that the form of settlement may be determined at our option or at the holder's option. Some indexed debt securities may be convertible, exercisable or exchangeable, at our option or the holder's option, into or for securities of ours or an issuer other than us.

An indexed debt security may bear interest at a fixed or floating rate, if specified in the applicable prospectus supplement. The prospectus supplement will include information about the relevant index or indices, about how amounts that are to become payable will be determined by reference to the price or value of that index or indices, and about the terms on which the security may be settled physically or in cash. The prospectus supplement will also identify the calculation agent that will calculate the amounts payable with respect to the indexed debt security and will have sole discretion in doing so. The calculation agent may be Jefferies Derivative Products LLC or one of our other affiliates.

Exchangeable Debt

Exchangeable debt may be senior debt or subordinated debt. The exchangeable debt securities may or may not bear interest or be issued with original issue discount or at a premium. The general terms of the exchangeable debt securities are described below.

Optionally Exchangeable Debt Securities. The holder of an optionally exchangeable debt securities may, during a period, or at specific times, exchange the security for the underlying property at a specified rate of exchange. If specified in the applicable pricing supplement, we will have the option to redeem the optionally exchangeable debt securities prior to maturity. If the holder of an optionally exchangeable debt securities does not elect to exchange the security prior to maturity or any applicable redemption date, the holder will receive the principal amount of the security plus any accrued interest at maturity or upon redemption.

Mandatorily Exchangeable Debt Securities. At maturity, the holder of a mandatorily exchangeable debt securities must exchange the security for the underlying property at a specified rate of exchange and, therefore, depending upon the value of the underlying property at maturity, the holder of a mandatorily exchangeable debt securities may receive less than the principal amount of the security at maturity. If so indicated in the applicable pricing supplement, the specified rate at which a mandatorily exchangeable debt securities may be exchanged may vary depending on the value of the underlying property so that, upon exchange, the holder participates in a percentage, which may be less than, equal to, or greater than 100% of the change in value of the underlying property. Mandatorily exchangeable debt security may include securities where we have the right, but not the obligation, to require their holders to exchange their securities for the underlying property.

Table of Contents

Information in the Prospectus Supplement

The prospectus supplement for any offered series of debt securities will describe the following terms, as applicable:

the title;

whether the debt is senior or subordinated;

whether the securities are exchangeable for other securities;

the total principal amount offered;

the percentage of the principal amount at which the debt securities will be sold and, if applicable, the method of determining the price;

the maturity date or dates;

whether the debt securities are fixed rate debt securities or floating rate debt securities;

if the debt securities are fixed rate debt securities, the yearly rate at which the debt security will bear interest, if any, and the interest payment dates;

if the debt security is an original issue discount debt security, the yield to maturity;

if the debt securities are floating rate debt securities, the interest rate basis; any applicable index currency or maturity, spread or spread multiplier or initial, maximum or minimum rate; the interest reset, determination, calculation and payment dates; and the day count used to calculate interest payments for any period; the business day convention; and the calculation agent;

the date or dates from which any interest will accrue, or how such date or dates will be determined, and the interest payment dates and any related record dates;

if other than in U.S. dollars, the currency or currency unit in which payment will be made;

any provisions for the payment of additional amounts for taxes;

the denominations in which the currency or currency unit of the securities will be issuable if other than denominations of \$1,000 and integral multiples thereof;

the terms and conditions on which the debt securities may be redeemed at our option;

the terms and conditions on which the debt securities may be exchanged;

any of our obligations to redeem, purchase or repay the debt securities at the option of a holder upon the happening of any event and the terms and conditions of redemption, purchase or repayment;

the names and duties of any co-trustees, depositories, authenticating agents, calculation agents, paying agents, transfer agents or registrars for the debt securities;

any material provisions of the applicable indenture described in this prospectus that do not apply to the debt securities; and

any other specific terms of the debt securities.

Jefferies Group LLC is the sole issuer of any securities previously issued, and will be the sole issuer of any securities subsequently issued, under the 2002 Indenture, the 2009 Convertible Indenture, and the 2013 Indentures.

We will issue the debt securities only in registered form. As currently anticipated, debt securities of a series will trade in book-entry form, and global notes will be issued in physical (paper) form, as described below under *Book-Entry Procedures and Settlement* .

The debt securities may be presented for exchange, and debt securities other than a global security may be presented for registration of transfer, at the principal corporate trust office of The Bank of New York Mellon in New York City. Holders will not have to pay any service charge for any registration of transfer or exchange of debt securities, but we may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with such registration of transfer.

Market-Making and Other Transactions as Principal. If a debt security or any of our other securities we describe in this prospectus is purchased in a market-making or other transaction as principal, information about the price paid and trade and settlement dates in a separate confirmation of sale will be distributed. A market-making or other principal transaction is one in which Jefferies LLC or one of our other affiliates resells a security that it has previously acquired from another holder. A market-making or other principal transaction in a particular security occurs after the original issuance and sale of the security.

Table of Contents

Principal Amount, Stated Maturity and Maturity

Unless otherwise stated, the principal amount of a debt security means the principal amount payable at its stated maturity, unless such amount is not determinable, in which case the principal amount of a debt security is its face amount. Any debt securities owned by us or any of our affiliates are not deemed to be outstanding.

The term *stated maturity* with respect to any debt security means the day on which the principal amount of the applicable debt security is scheduled to become due. The principal of the debt security may become due sooner, by reason of redemption or acceleration after a default or otherwise in accordance with the terms of the debt security. The day on which the principal of the debt security actually becomes due, whether at the stated maturity or otherwise, is called the *maturity* of the principal. The principal amount of the debt security will be distributed at maturity (plus accrued and unpaid interest, if any), unless the applicable prospectus supplement specifies another amount.

The terms *stated maturity* and *maturity* are used to refer to the days when other payments become due. For example, we may refer to a regular interest payment date when an installment of interest is scheduled to become due as the *stated maturity* of that installment. The *stated maturity* or the *maturity* of a debt security without specifying a particular payment means the *stated maturity* or *maturity*, as the case may be, of the principal.

Payment and Paying Agents

Distributions on the debt securities other than those represented by global notes will be made in the designated currency against surrender of the debt securities at the principal corporate trust office of The Bank of New York Mellon in New York City. Payment will be made to the registered holder at the close of business on the record date for such payment. Interest payments will be made at the principal corporate trust office of The Bank of New York Mellon in New York City, or by a check mailed to the holder at his registered address. Payments in any other manner will be specified in the prospectus supplement.

Calculation Agents

Calculations relating to floating rate debt securities and indexed debt securities will be made by the calculation agent, which will initially be Jefferies Derivative Products LLC, the Company's subsidiary and an affiliate of the Co-Issuer, unless the applicable prospectus supplement states otherwise. We may appoint a different institution to serve as calculation agent from time to time after the original issue date of the debt security without your consent and without notifying you of the change.

Covenants

Limitations on Liens. The senior indenture provides that we will not, and will not permit any designated subsidiary to, incur, issue, assume or guarantee any indebtedness for money borrowed if such indebtedness is secured by a pledge of, lien on, or security interest in any voting stock of any designated subsidiary, without providing that each series of senior debt securities and, at our option, any other indebtedness ranking equally and ratably with such indebtedness, is secured equally and ratably with (or prior to) such other secured indebtedness (Section 10.05).

Limitations on Mergers and Sales of Assets. The senior indenture and the subordinated indenture provide that neither Issuer will merge into, consolidate with or convert into, or convey, transfer or lease our assets substantially as an entirety, and another person may not consolidate with, merge into or convert into either Issuer, unless:

either (1) such Issuer is the continuing corporation, or (2) the successor corporation, if other than such Issuer, is a domestic corporation, partnership or trust and expressly assumes by supplemental indenture the obligations evidenced by the securities issued pursuant to the indenture;

immediately after the transaction, there would not be any default in the performance of any covenant or condition of the indentures;

if as a result of such consolidation or merger or conversion or such conveyance, an Issuer's assets or properties would become subject to a pledge, lien or other similar encumbrance which would not be permitted under the indentures, such Issuer or its successor takes steps as necessary to effectively secure the securities equally and ratably with (or prior to) all indebtedness secured thereby; and

we have delivered an officers' certificate and an opinion of counsel to the trustee as required under the indentures (Section 8.01).

Table of Contents

For purposes of the indentures, corporation is defined to include a corporation, association, company (including a limited liability company), joint-stock company, business trust or other similar entity.

Other than the restrictions described above, the indentures do not contain any covenants or provisions that would protect holders of the debt securities in the event of a highly leveraged transaction. Specifically, neither indenture limits the amount of indebtedness we may incur.

Modification of the Indentures

Under the indentures, we and the relevant trustee can enter into supplemental indentures to establish the form and terms of any new series of debt securities without obtaining the consent of any holder of debt securities (Section 9.01).

In addition, except as may otherwise be provided pursuant to Section 3.01 for all or any specific securities of any series, without the consent of any holders, when authorized by a board resolution at any time, we and the trustee may enter into one or more supplemental indentures, in form satisfactory to the trustee, for any of the following purposes:

to evidence the succession of another person to us and the assumption by any such successor of the covenants of us herein and in the securities or to add a Co-Issuer of any series of Securities;

to add to our covenants for the benefit of the holders of all or any securities of any series (and if such covenants are to be for the benefit of less than all securities of any series, stating that such covenants are expressly being included solely for the benefit of such securities within such series) or to surrender any right or power herein conferred upon us with regard to all or any securities of any series (and if any such surrender is to be made with regard to less than all securities of any series, stating that such surrender is expressly being made solely with regard to such securities within such series);

to add any additional events of default for the benefit of the holders of all or any securities of any series (and if such additional events of default are to be for the benefit of less than all securities of any series, stating that such additional events of default are expressly being included solely for the benefit of such securities within such series);

to add to or change any of the provisions of the indentures to such extent as shall be necessary to permit or facilitate the issuance of securities in bearer form, registrable or not registrable as to principal, and with or without interest coupons, or to permit or facilitate the issuance of securities in uncertificated form;

to add to, change or eliminate any of the provisions of the indentures in respect of all or any securities of any series (and if such addition, change or elimination is to apply with respect to less than all securities of any series, stating that it is expressly being made to apply solely with respect to such securities within such series), provided that any such addition, change or elimination (A) shall neither (i) apply to any security issued prior to the execution of such indentures and entitled to the benefit of such provision nor (ii) modify the rights of the holder of any such security with respect to such provision or (B) shall become effective only when there is no such security outstanding;

to secure the securities pursuant to the requirements of Section 8.01(3), Section 10.05 or otherwise;

to establish the form or terms of all or any securities of any series as permitted by Sections 2.01 and 3.01;

to evidence and provide for the acceptance of appointment hereunder by a successor trustee with respect to the securities of one or more series and to add to or change any of the provisions of the indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one trustee, pursuant to the requirements of Section 6.11;

to add to or change any of the provisions of the indenture with respect to any securities that by their terms may be converted into securities or other property other than securities of the same series and of like tenor, in order to permit or facilitate the issuance, payment or conversion of such securities;

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

to comply with any requirements of the Trust Indenture Act of 1939, as amended (the Trust Indenture Act) or the requirements of the Commission in connection with maintaining the qualification of the Indentures under the Trust Indenture Act; or

Table of Contents

to make any change that does not adversely affect the rights of the Holders of Securities of each series affected by such change in any material respect.

We and the trustee may, with the consent of the holders of at least a majority in aggregate principal amount of the debt securities of a series, modify the applicable indenture or the rights of the holders of the securities of such series.

No such modification may, without the consent of each holder of an affected security:

extend the fixed maturity of any such securities;

reduce the rate or change the time of payment of interest on such securities;

reduce the principal amount of such securities or the premium, if any, on such securities;

change any obligation of ours to pay additional amounts;

reduce the amount of the principal payable on acceleration of any securities issued originally at a discount;

adversely affect the right of repayment or repurchase at the option of the holder;

reduce or postpone any sinking fund or similar provision;

change the currency or currency unit in which any such securities are payable or the right of selection thereof;

impair the right to sue for the enforcement of any such payment on or after the maturity of such securities;

reduce the percentage of securities referred to above whose holders need to consent to the modification or a waiver without the consent of such holders; or

change any obligation of ours to maintain an office or agency (Section 9.02).

Defaults

Each indenture provides that events of default regarding any series of debt securities will be:

our failure to pay required interest on any debt security of such series for 30 days;

our failure to pay principal or premium, if any, on any debt security of such series when due;

our failure to make any required scheduled installment payment on debt securities of such series;

our failure to perform for 90 days after notice any other covenant in the relevant indenture other than a covenant included in the relevant indenture solely for the benefit of a series of debt securities other than such series; and

certain events of bankruptcy or insolvency, whether voluntary or not (Section 5.01).

In addition, the senior debt indenture provides that our failure to pay beyond any applicable grace period, or the acceleration of, indebtedness in excess of \$50,000,000 will be an event of default.

If an event of default regarding debt securities of any series issued under the indentures should occur and be continuing, either the trustee or the holders of 51% in the principal amount of outstanding debt securities of such series may declare each debt security of that series due and payable (Section 5.02). We are required to file annually with the trustee a statement of an officer as to the fulfillment by us of our obligations under the indenture during the preceding year (Section 10.04).

No event of default regarding one series of debt securities issued under an indenture is necessarily an event of default regarding any other series of debt securities.

Holders of a majority in principal amount of the outstanding debt securities of any series will be entitled to control certain actions of the trustee under the indentures and to waive past defaults regarding such series (Sections 5.12 and 5.13). The trustee generally cannot be required by any of the holders of debt securities to take any action, unless one or more of such holders shall have provided to the trustee reasonable security or indemnity satisfactory to the trustee (Section 6.03).

If an event of default occurs and is continuing regarding a series of debt securities, the trustee may use any sums that it holds under the relevant indenture for its own reasonable compensation and expenses incurred prior to paying the holders of debt securities of such series (Section 5.06).

Table of Contents

Before any holder of any series of debt securities may institute action for any remedy, except payment on such holder's debt security when due, the holders of not less than 51% in principal amount of the debt securities of that series outstanding must request the trustee to take action. Holders must also offer and give reasonable indemnity satisfactory to the trustee against liabilities incurred by the trustee for taking such action (Sections 5.07).

Defeasance

Except as may otherwise be set forth in an accompanying prospectus supplement, the provisions for full defeasance and covenant defeasance described below apply to each senior and subordinated debt security. When there is a defeasance and discharge, the applicable indenture will no longer govern the debt securities of such series; we will no longer be liable for payments required by the terms of the debt securities of such series and the holders of such debt securities will be entitled only to the deposited funds. When there is a covenant defeasance, however, we will continue to be obligated to make payments when due if the deposited funds are not sufficient.

Defeasance and Discharge. If there is a change in United States federal tax law, we can legally release ourselves from all payment and other obligations on any debt securities. This is called full defeasance and is further described in Section 13.02. For us to do so, each of the following must occur:

We must deposit in trust for the benefit of all holders of those debt securities money or a combination of money and United States government or United States government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on those debt securities on their various due dates;

There must be a change in current United States federal tax law or an Internal Revenue Service ruling that lets us make the above deposit without causing the holders to be taxed on those debt securities any differently than if we did not make the deposit and just repaid those debt securities ourselves. Under current federal tax law, the deposit and our legal release from a debt security would be treated as though we took back the debt security and returned an appropriate share of the cash and notes or bonds deposited in trust. In that event, there may be a recognized gain or loss on the debt security;

We must deliver to the trustee a legal opinion of our counsel confirming the tax law change described above; and

In the case of the subordinated debt securities, the following requirements must also be met:

No event or condition may exist that would prevent us from making payments of principal, premium or interest on those subordinated debt securities on the date of the deposit referred to above or during the 90 days after that date; and

We must deliver to the trustee an opinion of counsel to the effect that (a) the trust funds will not be subject to any rights of holders of senior indebtedness and (b) after the 90-day period referred to above,

the trust funds will not be subject to any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally, except that if a court were to rule under any of those laws in any case or proceeding that the trust funds remained our property, then the relevant trustee and the holders of the subordinated debt securities would be entitled to some enumerated rights as secured creditors in the trust funds.

If we ever fully defeased a debt security, the trust deposit would make any and all payments on the applicable debt security. We would not be responsible for any payment in the event of any shortfall, and we will be deemed to have paid and satisfied our obligations on all outstanding debt securities of such series.

Covenant Defeasance. Under current United States law, we can make the same type of deposit described above and be released from the restriction on liens described and any other restrictive covenants relating to a debt security that may be described in the applicable prospectus supplement. This is called covenant defeasance and is further described in Section 13.03. In that event, you would lose the protection of those restrictive covenants. In order to achieve covenant defeasance for any debt securities, we must:

deposit in trust for the benefit of the holders of those debt securities money or a combination of money and United States government or United States government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on those debt securities on their various due dates; and

Table of Contents

deliver to the trustee a legal opinion of our counsel confirming that under current United States federal income tax law we may make the above deposit without causing the holders to be taxed on those debt securities any differently than if we did not make the deposit and just repaid those debt securities ourselves. In addition, in order to achieve covenant defeasance for any subordinated debt securities that have the benefit of any restrictive covenants, both conditions described in the last bullet point under *Defeasance* above must be satisfied. Subordinated debt securities will not have the benefit of any restrictive covenants unless the applicable prospectus supplement specifically provides that they do.

We will cease to be under any obligation, other than to pay when due the principal of, premium, if any, and interest on such debt securities, relating to the debt securities of such series (Section 13.04).

Payment of Additional Amounts

If so noted in the applicable prospectus supplement for a particular issuance, we will pay to the holder of any debt security who is a United States alien holder (as defined below) such additional amounts as may be necessary so that every net payment of principal of and interest on the debt security, after deduction or withholding for or on account of any present or future tax, assessment or other governmental charge imposed upon or as a result of such payment by the United States or any taxing authority thereof or therein, will not be less than the amount provided in such debt security to be then due and payable. We will not be required, however, to make any payment of additional amounts for or on account of:

any tax, assessment or other governmental charge that would not have been imposed but for the existence of any present or former connection between such holder (or between a fiduciary, settlor, beneficiary of, member or shareholder of, or possessor of a power over, such holder, if such holder is an estate, trust, partnership or corporation) and the United States, including, without limitation, such holder (or such fiduciary, settlor, beneficiary, member, shareholder or possessor), being or having been a citizen or resident or treated as a resident of the United States or being or having been engaged in trade or business or present in the United States or having or having had a permanent establishment in the United States;

any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the holder of the debt security for payment on a date more than 10 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;

any estate, inheritance, gift, sales, transfer, excise, personal property or similar tax, assessment or other governmental charge;

any tax, assessment or other governmental charge imposed by reason of such holder's past or present status as a passive foreign investment company, a controlled foreign corporation, a personal holding company or foreign personal holding company with respect to the United States, or as a corporation which accumulates earnings to avoid United States federal income tax;

any tax, assessment or other governmental charge which is payable otherwise than by withholding from payment of principal of, or interest on, such debt security;

any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment of principal of, or interest on, any debt security if such payment can be made without withholding by any other paying agent;

any tax, assessment or other governmental charge that is imposed by reason of a holder's present or former status as (i) the actual or constructive owner of 10% or more of the total combined voting power of Leucadia National Corporation stock, as determined for purposes of Section 871(h)(3)(B) of the Internal Revenue Code of 1986, as amended (the Code), (or any successor provision) or (ii) a controlled foreign corporation that is related to us, as determined for purposes of Section 881(c)(3)(C) of the Code (or any successor provision);

any tax, assessment or other governmental charge (i) in the nature of a backup withholding tax, (ii) as a result of the failure to comply with information reporting requirements or (iii) imposed under the Hiring Incentives to Restore Employment Act of 2010 or any substantially similar successor legislation, any current or future regulations or official interpretations thereof, any agreement entered into pursuant thereto, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection therewith; or

Table of Contents

any combinations of items identified in the bullet points above.

In addition, we will not be required to pay any additional amounts to any holder who is a fiduciary or partnership or other than the sole beneficial owner of such debt security to the extent that a beneficiary or settlor with respect to such fiduciary, or a member of such partnership or a beneficial owner thereof would not have been entitled to the payment of such additional amounts had such beneficiary, settlor, member or beneficial owner been the holder of the debt security.

The term United States alien holder means any corporation, partnership, individual or fiduciary that is, for United States federal income tax purposes, a foreign corporation, a nonresident alien individual, a nonresident fiduciary of a foreign estate or trust, or a foreign partnership one or more of the members of which is, for United States federal income tax purpose, a foreign corporation, a nonresident alien individual or a nonresident fiduciary of a foreign estate or trust.

Redemption upon a Tax Event

If so noted in the applicable prospectus supplement for a particular issuance, we may redeem the debt securities in whole, but not in part, on not more than 60 days and not less than 30 days notice, at a redemption price equal to 100% of their principal amount, plus all accrued but unpaid interest through the redemption date if we determine that as a result of a change in tax law (as defined below):

we have or will become obligated to pay additional amounts as described under the heading Payment of Additional Amounts ; or

there is a substantial possibility that we will be required to pay such additional amounts.

A change in tax law that would trigger the provisions of the preceding paragraph is any change in or amendment to the laws, treaties, regulations or rulings of the United States or any political subdivision or taxing authority thereof, or any proposed change in the laws, treaties, regulations or rulings, or any change in the official application, enforcement or interpretation of the laws, treaties, regulations or rulings (including a holding by a court of competent jurisdiction in the United States) or any other action (other than an action predicated on law generally known on or before the date of the applicable prospectus supplement for the particular issuance of debt securities to which this section applies except for proposals before the Congress prior to that date) taken by any taxing authority or a court of competent jurisdiction in the United States, or the official proposal of the action, whether or not the action or proposal was taken or made with respect to us.

Prior to the publication of any notice of redemption, we shall deliver to the trustee an officers certificate stating that we are entitled to effect the aforementioned redemption and setting forth a statement of facts showing that the conditions precedent to our right to so redeem have occurred, and an opinion of counsel to such effect based on such statement of facts.

Governing Law

Unless otherwise stated in the applicable prospectus supplement, the debt securities and the indentures will be governed by New York law without regard to conflicts of law principles.

Concerning the Trustee under the Indentures

We have and may continue to have banking and other business relationships with The Bank of New York Mellon, or any subsequent trustee, in the ordinary course of our business.

Warrants

Please note that in this section entitled Warrants, unless otherwise specified, the terms Issuers, we, our, and us, as used herein, refer to Jefferies Group LLC and Jefferies Group Capital Finance Inc., its subsidiary, as Co-Issuers of the securities offered hereby. The terms the Company and Jefferies Group refers to Jefferies Group LLC, alone. Also, in this section, references to holders mean those who own warrants registered in their own names, on the books that we or our agent maintains for this purpose, and not those who own beneficial interests in warrants registered in street name or in warrants issued in book-entry form through one or more depositaries. Owners of beneficial interests in the warrants should read the section below entitled Book-Entry Procedures and Settlement .

Table of Contents

General

We may offer warrants separately or together with our debt securities or other securities.

We may issue warrants in such amounts or in as many distinct series as we wish. This section summarizes terms of the warrants that apply generally to all series. The financial and other specific terms of your warrant and any warrant agreement will be described in the applicable prospectus supplement. Those terms may vary from the terms described here.

The warrants of a series will be issued under a separate warrant agreement to be entered into among us and one or more banks or trust companies, as warrant agent, as set forth in the prospectus supplement. A form of each warrant agreement, including a form of warrant certificate representing each warrant, reflecting the particular terms and provisions of a series of offered warrants, will be filed with the SEC at the time of the offering and incorporated by reference in the registration statement of which this prospectus forms a part. You can obtain a copy of any form of warrant agreement when it has been filed by following the directions outlined in [Where You Can Find More Information](#) or by contacting the applicable warrant agent.

The following briefly summarizes the material provisions of the warrant agreements and the warrants. As you read this section, please remember that the specific terms of your warrant as described in the prospectus supplement will supplement and, if applicable, may modify or replace the general terms described in this section. You should read carefully the prospectus supplement and the more detailed provisions of the warrant agreement and the warrant certificate, including the defined terms, for provisions that may be important to you. If there are differences between the prospectus supplement and this prospectus, the prospectus supplement will control. Thus, the statements made in this section may not apply to your warrant.

Types of Warrants

We may issue debt warrants. A debt warrant is a warrant for the purchase of our debt securities on terms to be determined at the time of sale. We may also issue warrants, called universal warrants, for the purchase or sale of, or whose cash value is determined by reference to the performance, level or value of, one or more of the following: securities or other property of one or more issuers, including securities issued by us and described in this prospectus or debt or equity securities issued by other issuers; a currency or currencies; a commodity or commodities; and other financial, economic or other measure or instrument, including the occurrence or non-occurrence of any event or circumstances, or one or more indices or baskets of these items.

The Company, or the Company together with the Co-Issuer, may issue warrants for the purchase of the securities of other entities.

Information in the Prospectus Supplement

The prospectus supplement will contain, where applicable, the following information about the warrants:

the securities or other property for which the warrants are exercisable;

the specific designation and aggregate number of, and the price at which we will issue, the warrants;

the currency or currency unit with which the warrants may be purchased and in which any payments due to or from the holder upon exercise must be made;

the date on which the right to exercise the warrants will begin and the date on which that right will expire or, if you may not continuously exercise the warrants throughout that period, the specific date or dates on which you may exercise the warrants;

whether the exercise price may be paid in cash, by the exchange of warrants or other securities or both, and the method of exercising the warrants;

whether the warrants will be settled by delivery of the underlying securities or other property or in cash;

whether and under what circumstances we may cancel the warrants prior to their expiration date, in which case the holders will be entitled to receive only the applicable cancellation amount, which may be either a fixed amount or an amount that varies during the term of the warrants in accordance with a schedule or formula;

whether the warrants will be issued in global or non-global form, although, in any case, the form of a warrant included in a unit will correspond to the form of the unit and of any debt security or purchase contract included in that unit;

Table of Contents

the identities of the warrant agent, any depositaries and any paying, transfer, calculation or other agents for the warrants;

any securities exchange or quotation system on which the warrants or any securities deliverable upon exercise of the warrants may be listed;

whether the warrants are to be sold separately or with other securities, as part of units or otherwise, and if the warrants are to be sold with the securities of another company or other companies, certain information regarding such company or companies; and

any other terms of the warrants.

If warrants are issued as part of a unit, the prospectus supplement will specify whether the warrants will be separable from the other securities in the unit before the warrants' expiration date.

No holder of a warrant will, as such, have any rights of a holder of the debt securities, equity securities or other warrant property purchasable under or in the warrant, including any right to receive payment thereunder.

Our affiliates may resell our warrants in market-making or other principal transactions after their initial issuance. We discuss these transactions above under "Debt Securities" Information in the Prospectus Supplement "Market-Making and Other Transactions as Principal."

Additional Information in the Prospectus Supplement for Debt Warrants

In the case of debt warrants, the prospectus supplement will contain, where appropriate, the following additional information:

the issuer and the designation, aggregate principal amount, currency and terms of the debt securities that may be purchased upon exercise of the debt warrants;

the exercise price and whether the exercise price may be paid in cash, by the exchange of any debt warrants or other securities or both and the method of exercising the debt warrants; and

the designation, terms and amount of debt securities, if any, to be issued together with each of the debt warrants and the date, if any, after which the debt warrants and debt securities will be separately transferable.

Additional Information in the Prospectus Supplement for Universal Warrants

In the case of universal warrants, the prospectus supplement may contain, where appropriate, the following additional information:

whether the universal warrants are put warrants or call warrants, including in either case warrants that may be settled by means of net cash settlement or cashless exercise, or any other type of warrants;

the money or warrant property, and the amount or method of determining the amount of money or warrant property, payable or deliverable upon exercise of each universal warrant;

the price at which and the currency with which the warrant property may be purchased or sold by or on behalf of the holder of each universal warrant upon the exercise of that warrant, or the method of determining that price;

whether the exercise price may be paid in cash, by the exchange of any universal warrants or other securities or both, and the method of exercising the universal warrants; and

whether the exercise of the universal warrants is to be settled in cash or by delivery of the warrant property or both and whether settlement will occur on a net basis or a gross basis.

No Limit on Issuance of Warrants

The warrant agreements will not limit the number of warrants or other securities that we may issue. We may also issue warrants with terms different from those of warrants previously issued or reopen a previously issued series of warrants and issue additional warrants of that series.

Modifications

We and the relevant warrant agent may, without the consent of the holders, amend each warrant agreement and the terms of each issue of warrants, for the purpose of curing any ambiguity or of correcting or supplementing any defective or inconsistent provision, or in any other manner that we may deem necessary or desirable and that will not adversely affect the interests of the holders of the outstanding unexercised warrants in any material respect. We may add, replace or terminate warrant agents from time to time. We may also choose to act as our own warrant agent.

Table of Contents

We and the relevant warrant agent also may, with the consent of the holders of at least a majority in number of the outstanding unexercised warrants affected, modify or amend the warrant agreement and the terms of the warrants.

No such modification or amendment may, without the consent of each holder of an affected warrant:

change the kind or reduce the amount receivable upon exercise, cancellation or expiration;

shorten the period of time during which the warrants may be exercised;

change the exercise price of the warrants;

otherwise materially and adversely affect the exercise rights of the beneficial owners of the warrants; or

reduce the percentage of outstanding warrants whose holders must consent to modification or amendment of the applicable warrant agreement or the terms of the warrants.

Merger and Similar Transactions Permitted; No Restrictive Covenants or Events of Default

The warrant agreements will not restrict the ability of each Issuer to merge into, consolidate with or convert into, or sell its assets to, another firm or to engage in any other transactions. If at any time there is a merger, consolidation or conversion involving one of the Issuers or a sale or other disposition of all or substantially all of the assets of one of the Issuers, the successor or assuming company will be substituted for whichever of the Issuers is party to the transaction, with the same effect as if it had been named in the warrant agreement and in th