ASSURANT INC
Form DEF 14A
March 29, 2011
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

Filed by the Registrant x

Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

x Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to § 240.14a-12

Assurant, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.

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(1) Title of each class of securities to which transaction applies:

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¨ Fee paid previously with preliminary materials.

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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March 29, 2011

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders (the Annual Meeting) of Assurant, Inc. The meeting will be held on May 12, 2011 at 9:30 a.m. at the Millenium Hilton located at 55 Church Street, New York, New York 10007. We hope you attend the Annual Meeting.

At the Annual Meeting, in addition to the election of directors and appointment of auditors, stockholders are being asked to cast an advisory vote approving the compensation of the Company s named executive officers for 2010 and to cast an advisory vote approving an annual vote with respect to such compensation.

This year, we will be using the Notice and Access method of providing proxy materials to you via the Internet, in lieu of the paper mailing method used in the past. We believe that this process should provide you with a convenient and quick way to access your proxy materials and vote your shares, while allowing us to conserve natural resources and reduce the costs of printing and distributing these materials. On or about March 29, 2011, we will send you a Notice of Internet Availability of Proxy Materials (the Notice) containing instructions on how to access our Proxy Statement and 2010 Annual Report to Stockholders and how to vote. The Notice also contains instructions on how to receive a paper copy of your proxy materials.

Please give these materials your prompt attention. We then ask that you vote by Internet or telephone, or by requesting a printed copy of the proxy materials and completing, signing and returning the proxy card in the manner described therein. You may still vote in person at the Annual Meeting if you so desire by withdrawing your proxy, but voting by Internet or telephone now or requesting and returning your proxy card prior to the Annual Meeting will assure that your vote is counted if you are unable to attend.

Your vote is important, regardless of the number of shares you own. If you hold your shares through a broker, bank or other nominee, your shares will not be voted on the election of directors or the advisory votes on compensation unless you take action and provide voting instructions. Therefore, please promptly submit your vote by telephone, Internet or mail. We urge you to indicate your approval, as unanimously recommended by the directors, by voting FOR Proposals One, Two and Three, and for an annual vote with respect to Proposal Four, as indicated in the accompanying materials.

On behalf of the Board of Directors, we thank you for your continued interest and support.

Sincerely,

Robert B. Pollock

President and Chief Executive Officer

Assurant

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Assurant, Inc.

One Chase Manhattan Plaza

41st Floor

New York, New York 10005

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held May 12, 2011

To the Stockholders of ASSURANT, INC.:

Notice is hereby given that the Annual Meeting of Stockholders (the Annual Meeting) of Assurant, Inc. (Assurant or the Company) will be held at the Millenium Hilton, 55 Church Street, New York, New York 10007 on May 12, 2011 at 9:30 a.m., local time, for the following purposes:

1. To elect each of our directors standing for re-election to our Board of Directors to serve until the 2012 Annual Meeting of Stockholders;

2. To ratify the appointment of PricewaterhouseCoopers LLP as Assurant s Independent Registered Public Accounting Firm for the year ending December 31, 2011;

3. To cast an advisory vote approving the compensation of the Company s named executive officers for 2010;

4. To cast an advisory vote to determine the frequency of advisory votes with respect to such compensation; and

5. To transact such other business as may properly come before the meeting or any adjournment thereof.

The proposals described above are more fully described in the accompanying proxy statement, which forms a part of this notice.

If you plan to attend the Annual Meeting, please notify the undersigned at the address set forth above so that appropriate preparations can be made. If you hold your shares through a bank, broker or other nominee you must also request a legal proxy from your bank, broker or other nominee to validly vote at the Annual Meeting.

The Board of Directors has fixed March 17, 2011 as the record date for the Annual Meeting. Only stockholders of record at the close of business on that date will be entitled to notice of and to vote at the Annual Meeting or any adjournments or postponements thereof. A list of those stockholders will be available for inspection at the offices of Assurant located at One Chase Manhattan Plaza, 41st Floor, New York, New York 10005 commencing at least ten days before the Annual Meeting.

We are pleased to take advantage of the U.S. Securities and Exchange Commission s Notice and Access rule that allows us to provide stockholders with notice of their ability to access proxy materials via the Internet. This allows us to conserve natural resources and reduces the costs of printing and distributing the proxy materials, while providing our stockholders with access to the proxy materials in a convenient and quick manner via the Internet. Under this process, on or about March 29, 2011, we will begin mailing a Notice of Internet Availability of Proxy Materials (the Notice) to our stockholders informing them that our proxy statement, annual report to stockholders and voting instructions are available on the Internet upon the commencement of such mailing. As more fully described in the Notice, all stockholders may choose to access

our proxy materials via the Internet or may request printed copies of the proxy materials.

Whether or not you plan to attend the Annual Meeting, we hope that you will read the proxy statement and submit your vote by telephone, via the Internet, or by requesting a printed copy of the proxy materials and completing, signing and returning the proxy card in the manner described therein. If you are present at the Annual Meeting you may, if you wish, withdraw your proxy and vote in person. Thank you for your interest in and consideration of the proposals listed above.

By Order of the Board of Directors,

Bart R. Schwartz

Executive Vice President,

Chief Legal Officer and Secretary

March 29, 2011

The Assurant Proxy Statement and Annual Report are available at

www.proxyvote.com

You will need your 12-digit control number, listed on the Notice, to access these materials and to vote.

EACH VOTE IS IMPORTANT. TO VOTE YOUR SHARES, PLEASE PROMPTLY SUBMIT YOUR VOTE BY TELEPHONE, INTERNET OR MAIL AS DESCRIBED ABOVE.

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ASSURANT, INC.

One Chase Manhattan Plaza

41st Floor

New York, New York 10005

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS

To Be Held May 12, 2011

This proxy statement is furnished to stockholders of Assurant, Inc. (to which we sometimes refer in this proxy statement as Assurant or the Company) in connection with the solicitation by the Board of Directors (the Board) of Assurant of proxies to be voted at the 2011 Annual Meeting of Stockholders (the Annual Meeting) to be held at the Millenium Hilton, 55 Church Street, New York, New York 10007 on May 12, 2011, at 9:30 a.m. or at any adjournment or postponement thereof.

The U.S. Securities and Exchange Commission has adopted rules that allow us to use a Notice and Access model to make our proxy statement and other Annual Meeting materials available to you. On or about March 29, 2011, we will begin mailing a Notice of Internet Availability of Proxy Materials (the Notice) to our stockholders advising them that our proxy statement, annual report to stockholders and voting instructions can be accessed on the Internet upon the commencement of such mailing. You may then access these materials and vote your shares via the Internet or by telephone or you may request that a printed copy of the proxy materials be sent to you. You will not receive a printed copy of the proxy materials unless you request one in the manner described in the Notice. Using the Notice allows us to conserve natural resources and reduces the costs of printing and distributing the proxy materials, while providing our stockholders with access to the proxy materials in a convenient and quick manner via the Internet.

The solicitation of proxies for the Annual Meeting is being made by telephone, Internet and mail. Officers, directors and employees of Assurant, none of whom will receive additional compensation therefor, may also solicit proxies by telephone or other personal or electronic contact. We have retained D.F. King & Co., Inc. to assist in the solicitation of proxies for an estimated fee of $5,000 plus reimbursement of expenses. We will bear the cost of the solicitation of proxies, including postage, printing and handling, and will reimburse brokerage firms and other record holders of shares beneficially owned by others for their reasonable expenses incurred in forwarding solicitation material to beneficial owners of shares.

Any stockholder of record may revoke his or her proxy at any time before it is voted by delivering a later dated, signed proxy or other written notice of revocation to the Corporate Secretary of Assurant. Any record holder of shares present at the Annual Meeting may also withdraw his or her proxy and vote in person on each matter brought before the Annual Meeting. All shares represented by properly signed and returned proxies in the accompanying form or those submitted by Internet or telephone, unless revoked, will be voted in accordance with the instructions given thereon. A properly executed proxy without specific voting instructions will be voted as recommended by the Board: FOR each director nominee; FOR Proposals Two and Three; and for an annual vote with respect to Proposal Four, each as described in this proxy statement.

Any stockholder whose shares are held through a broker, bank or other nominee (shares held in street name) will receive instructions from the broker, bank or nominee that must be followed in order to have his or her shares voted. Such stockholders wishing to vote in person at the meeting must obtain a legal proxy from their broker, bank or other nominee and bring it to the meeting.

Only stockholders of record at the close of business on March 17, 2011, the record date for the Annual Meeting, will be entitled to notice of and to vote at the Annual Meeting or at any adjournment or postponement thereof. As of the close of business on that date, 98,883,093 shares of our common stock, par value $0.01 per share (the Common Stock), were outstanding. Stockholders will each be entitled to one vote per share of Common Stock held by them.

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Votes cast in person or by proxy at the Annual Meeting will be tabulated by the inspector of elections appointed for the meeting. Pursuant to Assurant s Bylaws and the Delaware General Corporation Law (the DGCL), the presence of the holders of shares representing a majority of the outstanding shares of Common Stock entitled to vote at the Annual Meeting, whether in person or by proxy, is necessary to constitute a quorum for the transaction of business at the Annual Meeting. Under the DGCL, abstentions and broker non-votes will be treated as present for purposes of determining the presence of a quorum. Broker non-votes are proxies from brokers or nominees as to which such persons have not received instructions from the beneficial owners or other persons entitled to vote with respect to a matter on which the brokers or nominees do not have the discretionary power to vote.

The election of each of the director nominees under Proposal One requires that each director be elected by the holders of a majority of the votes cast, meaning that the number of votes cast for a director s election must exceed the number of votes cast against that director s election. The Nominating and Corporate Governance Committee of the Board (the Nominating Committee) has established guidelines pursuant to which any incumbent director who is not elected must promptly offer to tender his or her resignation for consideration by the Board. The Nominating Committee will consider any such resignation, taking into account all relevant factors, and make a recommendation to the Board whether to accept or reject the resignation, or whether other action should be taken. The Board, excluding the director in question, will act on the Nominating Committee s recommendation and publicly disclose its decision and the rationale supporting it within 90 days following the date of the certification of the election results.

Under our by-laws, the approval of each of Proposals Two, Three and Four requires the affirmative vote of the holders of a majority in voting power of the stock present in person or represented by proxy and entitled to vote on the proposal at the Annual Meeting.

For purposes of the election of directors under Proposal One, an abstention will not affect whether the number of for votes exceeds the number of against votes, and accordingly will not affect whether the director is elected. For purposes of determining approval of Proposals Two and Three, abstentions will have the same legal effect as an against vote. With respect to Proposal Four, abstentions will be treated as not expressing any frequency preference (i.e., equivalent to a vote against each frequency).

Assurant believes that the ratification of the appointment of PricewaterhouseCoopers LLP as our Independent Registered Public Accounting Firm for 2011 (Proposal Two) will be deemed to be a routine matter under Rule 452 of the New York Stock Exchange (NYSE) Listed Company Manual, and brokers will be permitted to vote uninstructed shares as to such matters. Stockholders are reminded that, beginning with the 2010 proxy season, the NYSE amended Rule 452 to make the election of directors in an uncontested election a non-routine item and, beginning with the 2011 proxy season, the NYSE amended Rule 452 to make votes with respect to executive compensation matters non-routine items. This means that brokers who do not receive voting instructions from their clients as to how to vote their shares with respect to Proposals One, Three or Four will not exercise discretion to vote on those proposals. If a broker or other record holder of shares returns a proxy card indicating it does not have discretionary authority to vote as to a particular matter (thus, a broker non-vote), those shares will not be counted as voting for or against the matter or entitled to vote on the matter, and will, therefore, have no legal effect on the voting for which the broker non-vote is indicated.

For the above reasons, we urge stockholders to take action to vote their shares by Internet, telephone or mail.

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EXECUTIVE OFFICERS

The table below sets forth certain information, as of March 29, 2011, concerning each person deemed to be an Executive Officer of the Company. There are no arrangements or understandings between any Executive Officer and any other person pursuant to which the officer was selected.

Name	Age	Position
Robert B. Pollock	56	President, Chief Executive Officer and Director
Michael J. Peninger	56	Executive Vice President and Chief Financial Officer
Alan B. Colberg	49	Executive Vice President, Marketing and Business Development
Adam D. Lamnin	47	Executive Vice President; President and Chief Executive Officer of Assurant Health
S. Craig Lemasters	50	Executive Vice President; President and Chief Executive Officer of Assurant Solutions
Gene E. Mergelmeyer	52	Executive Vice President; President and Chief Executive Officer of Assurant Specialty Property
Christopher J. Pagano	47	Executive Vice President, Treasurer and Chief Investment Officer; President of Assurant Asset Management
John S. Roberts	55	Executive Vice President; Chief Executive Officer of Assurant Employee Benefits
Bart R. Schwartz	58	Executive Vice President, Chief Legal Officer and Secretary
John A. Sondej	46	Senior Vice President, Controller and Principal Accounting Officer
Sylvia R. Wagner	62	Executive Vice President, Human Resources and Development

Robert B. Pollock, President, Chief Executive Officer and Director. Biography available in the section entitled PROPOSAL ONE ELECTION OF DIRECTORS .

Michael J. Peninger, Executive Vice President and Chief Financial Officer. Mr. Peninger was appointed Chief Financial Officer of the Company in March 2009, having served as Executive Vice President and Interim Chief Financial Officer since July 2007. Prior to that, he served as President and Chief Executive Officer of Assurant Employee Benefits beginning in January 1999. Mr. Peninger is a Fellow of the Society of Actuaries and a member of the American Academy of Actuaries.

Alan B. Colberg, Executive Vice President, Marketing and Business Development. Mr. Colberg was appointed Executive Vice President, Marketing and Business Development, effective as of his commencement of employment with the Company on March 28, 2011. Prior to this, Mr. Colberg served in multiple positions at Bain & Company, Inc. (Bain), including as Managing Director of Bain s Atlanta office and Southern region from 2000 to 2011, and as global head of the Financial Services practice from 2005 to 2011.

Adam D. Lamnin, Executive Vice President; President and Chief Executive Officer, Assurant Health. Mr. Lamnin was appointed President and Chief Executive Officer of Assurant Health in January 2011, having served as Chief Operating Officer of Assurant Health since October 2009. Prior to that, he served in a variety of leadership roles at Assurant Solutions and Assurant Specialty Property, including as Executive Vice President, Chief Financial Officer and Group Senior Vice President. Mr. Lamnin is a Certified Public Accountant.

S. Craig Lemasters, Executive Vice President; President and Chief Executive Officer, Assurant Solutions. Mr. Lemasters has been Assurant Solutions President and Chief Executive Officer and Executive Vice President of Assurant, Inc. since July 2005.

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Gene E. Mergelmeyer, Executive Vice President; President and Chief Executive Officer, Assurant Specialty Property. Mr. Mergelmeyer was appointed Chief Executive Officer of Assurant Specialty Property in August 2007 and President of Assurant Specialty Property and Executive Vice President of Assurant, Inc. in July 2007. Prior to that, Mr. Mergelmeyer served as Executive Vice President of Assurant Specialty Property beginning in 2006 and led Assurant Specialty Property s lending solutions division since 1999.

Christopher J. Pagano, Executive Vice President, Treasurer and Chief Investment Officer; President, Assurant Asset Management. Mr. Pagano has been Executive Vice President, Treasurer and Chief Investment Officer since July 2007 and President of Assurant Asset Management, a division of the Company, since January 2005.

John S. Roberts, Executive Vice President; President and Chief Executive Officer, Assurant Employee Benefits. Mr. Roberts was appointed President and Chief Executive Officer of Assurant Employee Benefits and Executive Vice President of Assurant, Inc. in March 2009, having served as Interim President and Chief Executive Officer since July 2007. Prior to that, he served as Senior Vice President of Assurant Employee Benefits and President of Disability Reinsurance Management Services.

Bart R. Schwartz, Executive Vice President, Chief Legal Officer and Secretary. Mr. Schwartz has been Executive Vice President, Chief Legal Officer and Secretary since April 2008. He previously served as Chief Corporate Governance Officer and Secretary of The Bank of New York Mellon Corporation from 2006 to 2008.

John A. Sondej, Senior Vice President, Controller and Principal Accounting Officer. Mr. Sondej has been Senior Vice President, Controller and Principal Accounting Officer of the Company since January 2005. He is currently responsible for managing various functional departments at the Company, primarily including SEC Reporting and Compliance, Planning & Analysis, Investment Accounting, I.T. Finance, Facilities and Real Estate Management, Payroll and Procurement. Mr. Sondej is a Certified Public Accountant and is a member of the American Institute of Certified Public Accountants and the New Jersey Society of Certified Public Accountants.

Sylvia R. Wagner, Executive Vice President, Human Resources and Development. Ms. Wagner was appointed Executive Vice President, Human Resources and Development effective April 2009. She previously served as Senior Vice President, Human Resources and Development of Assurant Employee Benefits beginning in May 1995, where she was responsible for overseeing human resources and development, employee communications, clinical and behavioral health services, and community relations. Ms. Wagner currently serves on the Board of Trustees of the University of South Dakota Foundation.

The Management Committee of Assurant (the Management Committee) consists of the Company s President and Chief Executive Officer, all of the Company s Executive Vice Presidents and the Chief Executive Officers of each of Assurant s operating segments. The Management Committee is ultimately responsible for setting the policies, strategy and direction of the Company, subject to the overall discretion and supervision of the Board.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

The following table provides, with respect to each person or entity known by Assurant to be the beneficial owner of more than 5% of Assurant s outstanding Common Stock as of February 1, 2011, (a) the number of shares of Common Stock owned (based upon the most recently reported number of shares outstanding as of the date the entity filed a Schedule 13G with the SEC) and (b) the percentage of all outstanding shares represented by such ownership as of February 1, 2011 (based on an outstanding share amount of 100,494,020 as of that date).

Name of Beneficial Owner	Shares of Common Stock Owned Beneficially	Percentage of Class
BlackRock, Inc.[1]	9,020,476	9.0%
The Vanguard Group, Inc.[2]	5,624,950	5.6%
FMR LLC[3]	6,926,159	6.9%

1 BlackRock, Inc., 40 East 52nd Street, New York, New York 10022, filed a Schedule 13G/A on February 2, 2011, with respect to beneficial ownership of 9,020,476 shares. This represented 9.0% of our Common Stock as of February 1, 2011. BlackRock, Inc. has indicated that it filed this Schedule 13G/A on behalf of the following subsidiaries: BlackRock Japan Co. Ltd., BlackRock Advisors (UK) Limited, BlackRock Institutional Trust Company, N.A., BlackRock Fund Advisors, BlackRock Asset Management Canada Limited, BlackRock Asset Management Australia Limited, BlackRock Advisors LLC, BlackRock Capital Management, Inc., BlackRock Financial Management, Inc., BlackRock Investment Management, LLC, BlackRock Investment Management (Australia) Limited, BlackRock (Luxembourg) S.A., BlackRock (Netherlands) B.V., BlackRock Fund Managers Limited, BlackRock Pensions Limited, BlackRock Asset Management Ireland Limited, BlackRock International Limited., BlackRock Investment Management (UK) Limited.

2 The Vanguard Group, Inc., 100 Vanguard Blvd., Malvern, PA 19355, filed a Schedule 13G on February 10, 2011, with respect to the beneficial ownership of 5,624,950 shares. This represented 5.6% of our Common Stock as of February 1, 2011.

3 FMR LLC, 82 Devonshire Street, Boston, Massachusetts 02109, filed a Schedule 13G/A on February 14, 2011, with respect to the beneficial ownership of 6,926,159 shares. This represented 6.9% of our Common Stock as of February 1, 2011.

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SECURITY OWNERSHIP OF MANAGEMENT

The following table provides information concerning the beneficial ownership of Common Stock as of February 1, 2011 by Assurant s Chief Executive Officer, Chief Financial Officer, and each of Assurant s other three most highly compensated executive officers, each director, and all executive officers and directors as a group. As of February 1, 2011, we had 100,494,020 outstanding shares of Common Stock. Except as otherwise indicated, all persons listed below have sole voting power and dispositive power with respect to their shares, except to the extent that authority is shared by their spouses, and have record and beneficial ownership of their shares.

Name of Beneficial Owner	Shares of Common Stock Owned Beneficially[1]	Percentage of Class
Robert B. Pollock	388,148	*
Michael J. Peninger	195,182	*
Gene E. Mergelmeyer	35,839	*
Christopher J. Pagano	27,696	*
Bart R. Schwartz	24,938	*
Elaine D. Rosen	1,181	*
Beth L. Bronner	18,337	*
Howard L. Carver	20,477	*
Juan N. Cento	4,305	*
Allen R. Freedman	18,337	*
Lawrence V. Jackson	1,108	*
David B. Kelso	3,903	*
Charles J. Koch	20,881	*
H. Carroll Mackin	19,337	*
John M. Palms	20,719	*
John A. C. Swainson	0[2]	*
All directors and executive officers as a group (22 persons)	1,005,390	1%

* Less than one percent of class.

[1] (a) Includes: for Mr. Pollock, 12,329 shares of Common Stock; for Mr. Pagano, 3,506 shares of Common Stock and for all directors and executive officers as a group, 15,835 shares of Common Stock held through the Assurant 401(k) Plan, as of December 31, 2010.

(b) Includes: for Mr. Pollock, 3,270 shares of restricted stock; for Mr. Peninger, 4,788 shares of restricted stock; for Mr. Mergelmeyer, 819 shares of restricted stock; for Mr. Pagano, 559 shares of restricted stock; for Mr. Schwartz, 4,757 shares of restricted stock; and for all executive officers as a group, 25,727 shares of restricted stock awarded under the Assurant, Inc. 2004 Long-Term Incentive Plan.

(c) Includes: 3,124 shares of Common Stock subject to a five-year holding period commencing on the applicable grant date awarded to Dr. Palms under the Directors Compensation Plan and 1,303 shares of Common Stock awarded to Dr. Palms under the Assurant, Inc. 2004 Long-Term Incentive Plan; 3,124 shares of Common Stock awarded to each of Ms. Bronner and Messrs. Carver, Cento, Freedman, Koch

and Mackin under the Directors Compensation Plan; 1,897 shares of Common Stock awarded to Mr. Kelso under the Directors Compensation Plan. The directors as a group hold a total of 25,068 shares of Common Stock subject to a five-year holding period commencing on the applicable grant date.

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(d) Shares reported for Mr. Pollock include 200 shares that are considered to be pledged because they are held in a margin account. Shares reported for Mr. Carver include 12,000 shares that are considered to be pledged because they are held in a brokerage account as collateral for a nominal short-term loan. Shares reported for Mr. Mackin include 1,000 shares that are considered to be pledged because they are held in a margin account. As of February 1, 2011, a total of 13,200 of the shares beneficially owned by directors and executive officers as a group were considered to be pledged.

(e) Includes restricted stock units (RSUs) that will vest and/or become payable on or within 60 days of February 1, 2011 in exchange for the following amounts of Common Stock as of February 1, 2011: for Mr. Pollock, 82,284 shares (including 48,334 shares that would be issuable upon a retirement); for Mr. Peninger, 104,017 shares (including 92,288 shares that would be issuable upon a retirement); and for each of Messrs. Mergelmeyer, Pagano and Schwartz: 10,592 shares. RSUs that will vest on or within 60 days of February 1, 2011 in exchange for shares of Common Stock, for all directors and executive officers as a group, totaled 292,107.

(f) Includes vested and unexercised stock appreciation rights (SARs) that could have been exercised on or within 60 days of February 1, 2011 in exchange for the following amounts of Common Stock as of February 1, 2011: for Mr. Pollock, 153,336 shares; for Mr. Peninger, 35,834 shares; for Mr. Mergelmeyer, 4,617 shares; and for each of Dr. Palms, Ms. Bronner, Messrs. Carver, Freedman, and Mackin, 713 shares. Vested and unexercised SARs that could have been exercised on or within 60 days of February 1, 2011 in exchange for shares of Common Stock, for all directors and executive officers as a group, totaled 242,029.

[2] As of February 1, 2011, Mr. Swainson held 2,231 RSUs, none of which will vest or become payable within 60 days of that date. For additional information regarding RSU awards granted to our non-employee directors in 2010, please see the Director Compensation Table on page 43, below.

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COMPENSATION DISCUSSION AND ANALYSIS

I. Executive Summary

Introduction

This Compensation Discussion and Analysis (CD&A) provides a detailed review of the compensation principles and strategic objectives governing the compensation of the following individuals, who were our named executive officers for 2010:

Robert B. Pollock	President and Chief Executive Officer
Michael J. Peninger	Executive Vice President and Chief Financial Officer
Gene E. Mergelmeyer	Executive Vice President; President and Chief Executive Officer, Assurant Specialty Property
Christopher J. Pagano	Executive Vice President, Treasurer and Chief Investment Officer; President, Assurant Asset Management
Bart R. Schwartz	Executive Vice President, Chief Legal Officer and Secretary

Throughout this CD&A, we refer to these individuals as our NEOs and to Mr. Pollock as our CEO.

Impact of 2010 Business Results on NEO Compensation

Assurant s executive compensation programs are designed to align the interests of our executives with those of our stockholders by tying significant portions of their compensation to the Company s financial performance. The following chart shows the relative percentages of target variable and fixed compensation established for our CEO at the beginning of 2010:

Highlights for the Company s 2010 fiscal year include:

20% annual growth in net operating income (NOI) from $494 million to $560 million ($3.92 to $5.02 per diluted share)

12.1% operating return on equity (ROE), excluding accumulated other comprehensive income (AOCI)

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6% annual growth in book value per diluted share, excluding AOCI, after non-cash goodwill impairment charge of $306 million

$603 million returned to stockholders in repurchases and dividends

$880 million of holding company capital at year-end

Achievement of strategic enterprise risk management objectives, including the incorporation of quantitative business and portfolio transaction analysis into ongoing business processes

Significant increases in the Company s profitability in 2010 resulted in annual incentive payments for Messrs. Pollock, Peninger, Pagano and Schwartz equal to 1.55 times their respective target opportunities. Continued strong revenue and returns for Assurant Specialty Property resulted in an annual incentive payment to Mr. Mergelmeyer equal to 1.84 times his target opportunity.

Vesting of performance-based equity awards for the 2009, 2010 and 2011 performance cycles will not be determined until the end of the applicable three-year cycle; accordingly, none of our NEOs will be eligible for a payout in respect of any performance-based equity awards until 2012.

For more information about our fiscal 2010 operating results, please see the earnings release, Exhibit 99.1 to our Current Report on Form 8-K furnished to the SEC on February 2, 2011, and the financial supplement posted on the Investor Relations section of our website at http://ir.assurant.com. Neither the earnings release nor the financial supplement is incorporated by reference into this proxy statement.

Our Executive Compensation Principles

Set forth below are our core executive compensation principles, along with an explanation of compensation of our NEOs in 2010 and key actions taken with respect to NEO compensation through March 2011 to ensure that our executive compensation program reflects these principles:

Executive compensation opportunities at Assurant should be sufficiently competitive to attract and retain talented executives while remaining aligned with the interests of our stockholders.

When setting target total direct compensation opportunities (base salary, annual incentives and long-term equity incentives) for our NEOs, we seek to approximate median levels for comparable positions at companies in our compensation peer group.

In February 2010, each member of our Management Committee entered into an amendment that eliminated the excise tax gross-up provisions included in his or her change of control agreement with the Company.

Effective January 1, 2010, financial planning benefits were eliminated for our executive officers and directors. The Company provides no significant perquisites to its executives.

Compensation provided to our executives should reflect the business performance experienced by our stockholders.

In 2010, variable compensation comprised 82% of target total direct compensation awarded to our CEO and averaged 73% of target total direct compensation awarded to our other NEOs.

Each NEO s annual incentive opportunity is contingent on the Company s earnings. If the Company does not produce positive net operating income, no pool is available for annual incentive payments.

Since 2009, 50% of the annual long-term equity based incentive award provided to our NEOs has been awarded in the form of performance stock units (PSUs) and 50% in the form of restricted stock units (RSUs).

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Our incentive-based programs should motivate our executives to deliver above-median results.

When setting performance goals under our annual incentive program, we seek to ensure that above-median compensation will be paid only if the Company delivers above-median performance.

Payouts with respect to PSU awards are contingent on performance relative to a broad index and only reach above-median levels if our performance exceeds the 50th percentile of this index.

Our executive compensation programs should reinforce a culture of accountability and encourage prudent risk management.

In 2009 and 2010, 20% of each NEO s target annual incentive compensation opportunity was contingent on the achievement of specified enterprise risk management objectives.

The 50/50 split between PSUs and RSUs motivates our management to seek an appropriate balance between taking informed business risks and realizing above-median compensation.

Assurant s stock ownership guidelines seek to link wealth creation for our senior executives to the long-term impact of the strategic decisions they make. As of December 31, 2010, all of our NEOs exceeded their respective stock ownership requirements.

II. Elements of Our Executive Compensation Program

The following table sets forth the primary elements of the compensation programs that apply to our NEOs and the objective each element is designed to achieve:

	Pay Elements
Compensation Element	**Objective/Purpose**
Annual base salary	Provides fixed compensation that, in conjunction with our annual and long-term incentive programs, approximates the median level of total target compensation for comparable positions at companies in our compensation peer group.
	Helps to attract and retain talented executives with compensation levels that are consistent with stockholders long-term interests.
Annual incentive program	Motivates executives to achieve specific corporate or business segment goals selected for their potential to increase long-term stockholder value.
Long-term equity incentive award program	Motivates executives to consider longer-term ramifications of their actions and appropriately balance long- and near-term objectives.
	Reinforces a culture of accountability focused on long-term value creation.

	Requires delivery of above-median performance to earn an above-median payout on long-term performance based equity awards.
Retirement, deferral and health and welfare programs	Provides a competitive program that addresses retirement needs of executives.
	NEOs participate in the same health and welfare programs offered to all U.S. employees, as well as an executive long-term disability program.
Separation pay	Executives are not entitled to separation pay other than upon certain terminations of employment in connection with the sale of the Company or an applicable business segment.
	Enables executives to focus on maximizing value for stockholders in the context of a change of control transaction.

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Mix of Total Direct Compensation Elements

The following charts show the relative percentages of each component of target total direct compensation that were established for our CEO and our other NEOs at the beginning of 2010:

Because our CEO is primarily responsible for executing the strategic objectives of the Company, we believe that long-term equity incentives should comprise a greater portion of his target total direct compensation compared to our other NEOs. We also believe that a majority of his target total direct compensation opportunity should be subject to pre-established performance goals. Accordingly, in 2010 approximately 55% of Mr. Pollock s target total direct compensation opportunity was contingent on the achievement of pre-established performance metrics under the Company s annual and long-term equity incentive plans.

Changes to Compensation Mix in 2010

In January 2010, Towers Watson & Co. (Towers Watson), the independent compensation consultant of the Compensation Committee of the Board (the Committee), presented data to the Committee demonstrating that the target total direct compensation opportunity provided to our NEOs fell below median levels for similarly situated executives at companies in our compensation peer group. Consistent with our principle of approximating median total direct compensation opportunities while ensuring continued alignment with the interests of our stockholders, the Committee authorized increases in the variable components of 2010 NEO pay, while generally maintaining base salaries at 2009 levels**.** The Committee determines the allocations among the components of target total direct compensation each year in conjunction with its determination of total compensation for the year.

CEO Compensation. Mr. Pollock s base salary and annual incentive opportunity remained unchanged in 2010 from 2008 and 2009 levels. The Committee approved an increase in the long-term incentive component of Mr. Pollock s compensation from 250% to 300% of base salary in 2010.

CFO Compensation. To reflect Mr. Peninger s permanent appointment as the Company s Chief Financial Officer, the Committee approved an increase in base salary from $500,000 to $550,000, an increase in annual incentive opportunity from 80% to 100% of base salary and an increase in long-term incentive opportunity from 150% to 200% of base salary.

Other NEOs. Base salaries for Messrs. Mergelmeyer, Pagano and Schwartz remained unchanged from 2009. The Committee approved an increase in annual incentive opportunity from 80% to 90% of base salary and an increase in long-term incentive opportunity from 150% to 175% of base salary for each of these executives.

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2010 Annual Incentive Compensation

The objective of our annual incentive program is to motivate our executives to achieve specific Company or segment goals selected for their potential to increase long-term stockholder value. Management takes a number of factors into account when developing recommended performance goals for the Committee s consideration. In any given year, these factors may include management s expectations regarding business performance, results from prior years, opportunities for strategic growth and/or economic trends that may affect our business (e.g., levels of consumer spending, unemployment rates, mortgage default rates or prevailing conditions in the credit markets).

Annual Performance Goals. The following chart shows the relative weightings for each performance goal under our annual incentive program:

Financial Performance (80%): Balancing Growth and Profitability. Since our inception as a public company, and consistent with our sustainable growth strategy, we have allocated 40% of the target annual incentive opportunity provided to our NEOs to top-line revenue growth for specified areas and 40% to profitability. We believe that weighting profitability and growth measures equally motivates our executives to strike an appropriate balance between expanding new or existing businesses and generating returns from those businesses. We use operating measures for these financial targets because they exclude the impact of net realized gains (losses) on investments and other unusual and/or non-recurring or infrequent items.

For NEOs who serve in a corporate capacity, top-line revenue growth is measured by a weighted average of the performance results of the business segments, and profitability is measured using consolidated operating EPS and operating ROE.[4]

[4] Consolidated operating EPS is determined by dividing NOI for the Company as a whole by the weighted average number of diluted shares of our Common Stock outstanding during the year. Operating ROE for the Company is determined by dividing NOI for the Company by average stockholders equity for the year, excluding AOCI. For additional information regarding these measures, please see the earnings release, Exhibit 99.1 to our Current Report on Form 8-K furnished to the SEC on February 2, 2011, and the financial supplement posted on the Investor Relations section of our website at http://ir.assurant.com. Neither the earnings release nor the financial supplement is incorporated by reference into this proxy statement.

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Financial targets for NEOs who serve as business segment leaders apply to the business segments they lead. Top-line growth is measured through a combination of gross or net earned premiums and fees and gross written premium/new sales of designated products. Profitability is measured using NOI and operating ROE for the segment.[5]

For 2010, the Committee sought to establish financial targets that were challenging and would motivate our senior executives to deliver growth in a difficult economic environment.

Strategic Development (20%): Facilitating Effective Enterprise Risk Management. Strategic development goals are designed to focus our executives on achieving specified strategic, operational and/or organizational objectives we view as critical to our long-term financial success. Performance against strategic development goals is measured for all NEOs based on a combination of Company and segment-level results.

For 2010, the Committee again selected enterprise risk management as the area of strategic focus. Specifically, the Committee approved the following objectives: (i) quantification of segment-specific business risks that may have a material Company-level impact (25%), evaluated by segment; (ii) quantification of segment-specific business risks that may have a material segment-level impact (40%) and achievement of segment-specific compliance goals (10%), evaluated by segment; and (iii) incorporation of quantitative business transaction risk analysis (5%) and portfolio transaction risk analysis (20%) into ongoing business processes, measured for all segments at the Company level. The Company retained an external consultant to monitor each segment s progress with respect to the 2010 goals and prepare an assessment for submission to the Committee along with management s recommended performance ratings.

[5] NOI for each business segment is determined by excluding net realized gains or losses on investments and unusual and/or infrequent items from net income. Operating ROE for each business segment is determined by dividing NOI for the segment by average stockholders equity for the segment. For additional information regarding these measures, please see the earnings release, Exhibit 99.1 to our Current Report on Form 8-K furnished to the SEC on February 2, 2011, and the financial supplement posted on our Investor Relations section of our website at http://ir.assurant.com. Neither the earnings release nor the financial supplement is incorporated by reference into this proxy statement.

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2010 Results. The following table sets forth performance targets applicable to our NEOs for 2010, along with the resulting multipliers:

2010 Annual Incentive Performance Targets and Results[1]

Weighting	Performance Metric	0.0	0.5	1.0	1.5	2.0	2010 Results	Performance Multiplier	Composite Multiplier
				Assurant Enterprise					
25%	Consolidated Operating Earning per Share (EPS)	$ 3.00	$ 3.25	$ 3.50	$ 4.00	$ 4.50	$ 5.02	2.00	
15%	Operating Return on Equity (ROE)	7.3%	7.8%	8.3%	9.5%	10.8%	12.07%	2.00	1.55
40%	Revenue Growth[2]						N/A	0.93	
20%	Enterprise Risk Management						N/A	1.90	
				Assurant Specialty Property					
25%	Net Operating Income (NOI)	$ 220	$ 245	$ 270	$ 320	$ 370	$ 424.3	2.00	
15%	Operating Return on Equity (ROE)	19.5%	21.25%	23%	26.5%	30%	36.6%	2.00	
40%	Revenue Growth								
	50%: Gross earned premium + fee income	$ 2,550	$ 2,625	$ 2,700	$ 2,850	$ 3,000	$ 2,866.8	1.56	1.84
	50%: Gross written premium	$ 1,825	$ 1,900	$ 1,975	$ 2,125	$ 2,275	$ 2,202.2	1.76	
20%	Enterprise Risk Management						N/A	1.90	

[1] Dollar amounts applicable to performance metrics other than EPS are expressed in millions.

[2] The corporate-level revenue growth multiplier is determined based on a weighted average of the performance multipliers applicable to each business segment, which are weighted as follows: Assurant Specialty Property 25%; Assurant Solutions 30%; Assurant Health 25%; and Assurant Employee Benefits 20%. The revenue growth multiplier for: (i) Assurant Solutions was 1.13, based on weighted targets of $3.8 billion for gross earned premium and fee income (50%) and $3.2 billion for gross written premium (50%), and results of $3.75 billion for net earned premium and fee income and $3.44 billion for gross written premium; (ii) Assurant Health was 0.51, based on weighted targets of $1.9 billion for net earned premium and fee income (50%) and $360 million for new sales (50%), and results of $1.9 billion for net earned premium and fee income and $295.6 million for new sales; and (iii) Assurant Employee Benefits was 0.26, based on weighted targets of $1.175 billion for net earned premium and fee income (50%) and $175 million in total sales (50%), and results of $1.127 billion for net earned premium and fee income and $136.2 million in total sales.

The performance targets included in the table above are disclosed only to assist investors and other readers in understanding the Company s executive compensation. They are not intended to provide guidance on the Company s future performance. These performance targets should not be relied upon as predictive of the Company s future performance or the future performance of any of our operating segments.

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The following table shows target annual incentive compensation, the weighted average multipliers for each NEO and the resulting annual incentive award payout for 2010:

Named Executive Officer	2010 Target Annual Incentive	2010 Multiplier	2010 Annual Incentive Payment
Robert B. Pollock, President and Chief Executive Officer	$ 1,425,000	1.55 (Assurant Enterprise)	$ 2,208,750
Michael J. Peninger, Executive Vice President and Chief Financial Officer	$ 550,000	1.55 (Assurant Enterprise)	$ 852,500
Gene E. Mergelmeyer, Executive Vice President; President and Chief Executive Officer, Assurant Specialty Property	$ 450,000	1.84 (Assurant Specialty Property)	$ 828,000
Christopher J. Pagano, Executive Vice President, Treasurer and Chief Investment Officer; President, Assurant Asset Management	$ 450,000	1.55 (Assurant Enterprise)	$ 697,500
Bart R. Schwartz, Executive Vice President, Chief Legal Officer and Secretary	$ 450,000	1.55 (Assurant Enterprise)	$ 697,500

Annual incentive awards are provided pursuant to the Assurant, Inc. Executive Short-Term Incentive Plan (the ESTIP). Payments under the ESTIP are generally intended to be deductible as performance based compensation within the meaning of Section 162(m) (Section 162(m)) of the Internal Revenue Code of 1986, as amended (the IRC). The aggregate payments to all ESTIP participants for any performance period cannot exceed 5% of the Company s net income (defined as net income as reported in the Company s income statement, adjusted to eliminate the effects of charges for restructurings, discontinued operations, extraordinary items and other unusual or non-recurring items, and the cumulative effect of tax or accounting charges, each as defined by generally accepted accounting principles in the United States of America (GAAP) or identified in the Company s financial statements, notes to the financial statements or management s discussion and analysis). This aggregate maximum amount is allocated to all participants equally, except that the amount allocated to the Chief Executive Officer is twice the amount allocated to the other participants. With respect to 2010 annual incentives, the Committee exercised negative discretion to reduce participants awards by applying the performance goals set forth in the table entitled 2010 Annual Incentive Performance Targets and Results on page 14, above.

Long-Term Equity Incentive Compensation

Since 2009, we have used PSUs and RSUs as our equity compensation vehicles. A stock unit represents the right to receive a share of Common Stock at a specified date in the future, subject, in the case of PSUs, to the attainment of pre-established performance criteria. Because stock units reflect the performance of actual shares of stock, the Committee determined that PSUs and RSUs were best suited for aligning the interests of our executives with the interests of our stockholders. In addition, the relatively uniform tax treatment afforded to stock units internationally provides an effective platform for collaboration and cooperation throughout the global enterprise. The Committee also believes that a 50/50 split between PSU and RSU components of our long-term equity compensation program provides an appropriate balance between direct alignment with stockholders through equity holdings and performance-weighted equity compensation.

PSUs: Measuring Relative Performance. We selected PSUs as an equity compensation vehicle to ensure that a portion of long-term equity compensation would be paid only if the Company made tangible progress with respect to key financial measures over an extended period. For each year in the applicable performance cycle,

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Assurant s performance with respect to selected metrics is compared against a broad index of insurance companies and assigned a percentile ranking. These rankings are then averaged to determine the composite percentile ranking for the performance period.

Applicable metrics for the 2009 2011, 2010 2012 and 2011 2013 performance cycles are set forth in the chart below:

PSU Relative Performance Metrics and Relative Index

	2009 2011 Performance Cycle	2010 2012 and 2011 2013 Performance Cycles	Weighting
Relative Performance Metrics	Growth in EPS[1]	Growth in book value per share excluding AOCI[4]	1/3
	Growth in Revenue[2]	Growth in Revenue	1/3
	Total Shareholder Return[3]	Total Shareholder Return	1/3
Relative Index	A.M. Best U.S. Insurance Index	A.M. Best U.S. Insurance Index, excluding companies with revenues of less than $1 billion or that are not in the health or insurance Global Industry Classification Standard codes.	N/A

1 Year-over-year growth in GAAP EPS

2 Year-over-year growth in total GAAP Revenue

3 Percent change on Company stock plus dividend yield percentage

4 Year-over-year growth in the Company s common equity, excluding AOCI, divided by fully diluted shares of Common Stock outstanding at year-end

Changes to Relative Performance Metrics and Index. In light of the significant volatility in EPS across the financial services sector, and in response to comments from our investors, the Committee decided to replace growth in GAAP EPS with growth in book value per diluted share excluding AOCI as a performance metric for the 2010 2012 and 2011 2013 PSU performance cycles. We believe this change will provide a more consistent basis for comparing the Company s long-term financial performance to that of our competitors.

The Committee also approved a change to the group of competitors used in the determination of our composite percentile ranking. For the 2010 2012 and 2011 2013 PSU performance cycles, the Company s performance will be measured against companies in the A.M. Best U.S. Insurance Index, excluding those with revenues of less than $1 billion or that are not in the health or insurance Global Industry Classification Standard codes. This change will enable us to more accurately benchmark our performance against the performance of companies of comparable size that operate one or more businesses similar to ours.

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PSUs: Aligning Pay with Business Performance. As illustrated in the chart below, executives do not receive any payout with respect to any PSUs if the Company s composite percentile ranking falls below the 25th percentile. If the composite percentile ranking is at or above the 75th percentile, the maximum payout is attained. Payouts for performance between the 25th and the 75th percentiles are determined on a straight-line basis using linear interpolation.

PSU Payout Requirements

Payments in respect of PSUs awarded under the ALTEIP are intended to be deductible, to the maximum extent possible, as performance based compensation within the meaning of Section 162(m). Additional information regarding the terms and conditions of PSUs and RSUs awarded under the ALTEIP is provided under the heading Narrative to the Summary Compensation Table and Grants of Plan-Based Awards Table Long Term Equity Incentive Awards on page 26, below.

RSUs: Balancing Risk and Performance. The 50/50 split between PSUs and RSUs is intended to further align the interests of our executives with the long-term interests of our stockholders by motivating our management to seek an appropriate balance between taking informed business risks and realizing above-median compensation. RSUs typically vest in equal annual installments over a three-year vesting period.

In addition, the Committee may grant special awards to executives who demonstrate exceptional performance and are critical to the success of the Company s business strategy over the long term. These awards typically consist of RSUs subject to vesting periods that are structured to facilitate retention through important business and/or career milestones. In December 2010, the Committee awarded 10,000 RSUs to Mr. Pagano in recognition of his outstanding performance in leading the Company s enterprise risk management initiatives, and 15,000 RSUs to Mr. Mergelmeyer in recognition of the continued strong business performance of the Assurant Specialty Property segment and his leadership in connection with Company-wide expense control initiatives. To facilitate retention of these executives, each award will vest over a five-year period, with the first four installments to vest in four 10% increments on each of the first four anniversaries of the grant date, and the remaining 60% installment to vest on the fifth anniversary of the grant date, subject to the executive s continuous employment through the applicable vesting dates.

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The Committee also awarded 75,000 RSUs to Mr. Peninger in December 2010. These RSUs were granted in recognition of the fact that Mr. Peninger was required, due to internal trading blackout requirements, to forgo his right to exercise vested stock appreciation rights and hold the underlying shares as a result of his agreement to serve as the Company s interim Chief Financial Officer during a now concluded SEC investigation. At no time was Mr. Peninger a subject of that investigation. Mr. Peninger s RSU award is governed by the terms and conditions included in the Company s standard RSU award agreement described in the Narrative to the Summary Compensation Table and Grants of Plan-Based Awards Table on page 26, below.

Stock Ownership Guidelines. Ownership of company stock is an important vehicle for aligning the interests of executives and stockholders. For this reason, the Company has implemented ownership requirements that apply to each of our NEOs. Any NEO who fails to comply with the guidelines by five years from the later of July 1, 2006 or the date of his or her permanent appointment to a specified position will be prohibited from selling any shares of Assurant stock until compliance is achieved. Additional information about our Stock Ownership Guidelines is provided under the heading *Stock Ownership Guidelines* on page 21, below.

Compensation Levels and Pay Mix for 2011

In January 2011, Towers Watson presented data to the Committee demonstrating that total target cash compensation (base salary and target incentive compensation) provided to most of our NEOs continued to fall below median levels for similarly situated executives at companies in our compensation peer group. To further align NEO compensation with median levels, while continuing to ensure internal pay equity among members of the Management Committee other than our Chief Executive Officer and Chief Financial Officer, the Committee approved the following base salary and target annual incentive increases for 2011: (i) for Mr. Pollock, an increase in base salary from $950,000 to $975,000 and an increase in target annual incentive opportunity from 150% to 160% of base salary; (ii) for Mr. Peninger, an increase in base salary from $550,000 to $600,000 and an increase in target annual incentive opportunity from 100% to 120% of base salary; and (iii) for Messrs. Mergelmeyer, Pagano and Schwartz, an increase in base salary from $500,000 to $520,000 and an increase in target annual incentive opportunity from 90% to 100% of base salary. The target long-term incentive opportunity for 2011 for each of our NEOs remains unchanged from 2010 levels.

III. The Compensation Committee s Decision-Making Process

The Committee oversees our executive compensation program and advises the full Board on general aspects of Assurant s compensation and benefit policies. The Committee is composed entirely of independent directors, as determined in accordance with its charter, our Corporate Governance Guidelines and applicable NYSE rules. The Committee s charter and our Corporate Governance Guidelines are available under the Board Committees and Charters tab under the Corporate Governance tab of the Investor Relations section of our website at http://ir.assurant.com.

Input from Management

Our CEO is not involved in the Committee s determination of his compensation. He does annually review the performance and compensation of each member of our Management Committee in consultation with the Executive Vice President, Human Resources and Development and makes recommendations regarding their compensation to the Committee for its consideration. The CEO also provides input to the Committee, in consultation with the Company s Chief Financial Officer and Executive Vice President, Human Resources and Development, on the annual incentive plan performance goals that apply to the Company s executive officers.

The Committee evaluates the recommendations of the CEO along with information and analysis provided by Towers Watson. The Committee exercises its discretion in evaluating, modifying, approving or rejecting the

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CEO s recommendations and makes all final decisions with regard to base salary, short term incentives and long- term incentives for executive officers. The Committee meets periodically in executive session without any members of management present to discuss recommendations and make decisions with respect to compensation of the Company s executive officers.

Input from Independent Compensation Consultant

The Committee has engaged Towers Watson as its independent compensation consultant to provide analysis and advice on such items as pay competitiveness, incentive plan design, performance measurement, stock economics and other relevant market practices and trends with respect to the compensation of our executive officers and non-employee directors (as applicable). Among other things, Towers Watson prepares reports, delivers presentations and engages in discussions with the Committee regarding the information collected. These reports, presentations and discussions may address topics ranging from strategic considerations for compensation programs generally to specific components of each executive officer s compensation. Towers Watson also reviews and provides input into the development of the Company s annual proxy statement regarding executive and director compensation matters.

At the direction of the Chair of the Committee, Towers Watson reviews Committee materials and management s recommendations in advance of each Committee meeting or other Committee communication. Towers Watson participates in most Committee meetings, in each case at the request of the Chair of the Committee. The decisions made by the Committee are the responsibility of the Committee, and may reflect factors other than the recommendations and information provided by Towers Watson.

Level of Compensation Provided

Market Positioning. The Committee believes that the best way to attract and retain top talent while maintaining appropriate levels of compensation is to provide target total direct compensation opportunities to our NEOs at levels and on terms consistent with those of a select group of publicly traded companies that we view as our peers (our compensation peer group). We aim to set target total direct compensation for each NEO at approximately the median level provided to executives with similar responsibilities at companies in our compensation peer group, based on the most recent publicly available data, as analyzed by Towers Watson.

Our Compensation Peer Group. While we face competition in each of our businesses, we do not believe that any single competitor directly competes with us in all of our business lines. Additionally, the business lines in which we operate are generally characterized by a limited number of competitors. We believe that the following companies collectively represent the best match for Assurant because they operate in the insurance or financial services sector and may share one or more of the following characteristics with us: similar product lines; similar services and business models; similar revenues and assets and a similar talent pool for recruiting new employees:

Aetna Inc.	Coventry Health Care, Inc.	Stancorp Financial Group, Inc.
Aflac Incorporated	Genworth Financial, Inc.	Sunlife Financial, Inc.
CIGNA Corporation	Hanover Insurance Group Inc.	Torchmark Corporation
CNO Financial Group, Inc.	Humana Inc.	Unum Group
CNA Financial Corporation	Markel Corporation	W.R. Berkley Corporation
	Principal Financial Group, Inc.	

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We have not made any changes to our peer group since 2006.[6] Although our position may change from year to year, based on the most recent publicly available data, we believe we were approximately at the 50th percentile of our compensation peer group when measured by revenues, assets and net income.

IV. Benefits

Assurant s NEOs participate in the same health care, disability, life insurance, pension and 401(k) benefit plans made available generally to the Company s U.S. employees. In addition, these executives are eligible for certain change of control benefits and supplemental retirement plans described below.

Change of Control Benefits. Assurant is party to a change of control agreement (a COC Agreement) with each of its NEOs. The purpose of these COC Agreements is to enable our executives to focus on maximizing stockholder value in the context of a control transaction without regard to personal concerns related to job security.

Effective as of February 1, 2010, each member of our Management Committee entered into an amendment that eliminated the excise tax gross-up provisions in his or her COC Agreement with the Company. Accordingly, our NEOs are entitled to receive either (i) the full benefits payable in connection with a change of control (whether under the COC Agreement or otherwise) or (ii) a reduced amount that falls below the applicable safe harbor provided under the IRC, whichever amount provides the greater after-tax value for the executive.

The COC Agreements with our NEOs contain a double trigger, meaning that benefits are generally payable only upon a termination of employment without cause or for good reason within two years following a change of control. Executives who have COC Agreements are also subject to non-compete and non-solicitation provisions. Additional information regarding the terms and conditions of the COC Agreements is provided under the heading Narrative to the Potential Payments Upon Termination or Change of Control Table Change of Control Agreements on page 41, below.

Retirement Plans. We maintain the Supplemental Executive Retirement Plan (the SERP), the Assurant Executive Pension Plan (the Executive Pension Plan), the Assurant Executive 401(k) Plan (the Executive 401(k) Plan) and the Assurant Pension Plan (the Pension Plan). The goals of these retirement plans are to provide our NEOs with competitive levels of income replacement upon retirement and provide a package that will both attract and retain talented executives in key positions. The Executive Pension Plan is designed to replace income levels capped under the Pension Plan by the compensation limit of IRC Section 401(a)(17) ($245,000 for 2010). The SERP is designed to supplement the pension benefits provided under the Pension Plan, Executive Pension Plan and Social Security so that total income replacement from these programs will equal up to 50% of an NEO s base salary plus his or her annual incentive target. Additional information regarding the terms and conditions of these plans is provided under the headings Narrative to the Pension Benefits Table on page 31, below and Narrative to the Nonqualified Defined Contribution and Other Nonqualified Deferred Compensation Plans Table on page 36, below.

Deferred Compensation Plans. Each of the NEOs is eligible to participate in the Amended and Restated Assurant Deferred Compensation Plan (the ADC Plan). The ADC Plan provides key employees the ability to defer a portion of their eligible compensation which is then notionally invested in a variety of mutual funds. Deferrals and withdrawals under the ADC Plan are intended to be fully compliant with IRC Section 409A (Section 409A). Before the adoption of Section 409A and the establishment of the ADC Plan in 2005, the NEOs were eligible to participate in either the Assurant Investment Plan (the AIP) or the American Security Insurance Company Investment Plan (the ASIC Plan). However, after the enactment of Section 409A, both plans were frozen as of January 1, 2005 and, currently, only withdrawals may be made.

[6] Safeco Corporation is no longer included in our compensation peer group because it was acquired by Liberty Mutual in 2008. Company founders and/or their family members hold substantial amounts of the outstanding common stock, and are executive officers or directors, of Aflac Incorporated, Markel Corporation and W.R. Berkley Corporation.

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Additional information regarding the terms and conditions of these plans is provided under the heading Narrative to the Nonqualified Defined Contribution and Other Nonqualified Deferred Compensation Plans Table on page 36, below.

Health and Welfare Benefits. As part of the Company s general benefits program, the Company provides Long-Term Disability (LTD) coverage for all benefits-eligible employees under a group policy. LTD benefits replace 60% of an employee s monthly plan pay (which is generally defined as base salary plus the amount of the employee s target bonus percentage), up to a maximum monthly benefit of $15,000. As an additional benefit, each NEO is eligible for Executive LTD coverage, subject to underwriting for amounts in excess of a guaranteed benefit of $3,000. Executive LTD supplements benefits payable under the standard coverage and provides a maximum monthly benefit of $25,000, less amounts payable under the group policy.[7] This coverage is provided through the purchase of individual policies and is fully paid for by the Company.

Additional information regarding executive LTD benefits is provided in footnote 4 to the Summary Compensation Table on page 24, below.

V. Related Policies and Considerations

Stock Ownership Guidelines

As noted above, we believe that a sustained level of stock ownership is critical to ensuring that the creation of long-term value for our stockholders remains a primary objective for our executives and non-employee directors. Accordingly, in 2006 the Company adopted the following Stock Ownership Guidelines and holding requirements for its non-employee directors and senior executives:

Non-Employee Director	Must own Assurant stock with a market value equal to 5 times the annual base cash retainer
Chief Executive Officer	Must own Assurant stock with a market value equal to 5 times current base salary
Assurant, Inc. Executive Vice Presidents (including all other NEOs)	Must own Assurant stock with a market value equal to 3 times current base salary

Individuals have five years from the later of July 1, 2006 or the date of their permanent appointment to a specified position to acquire the required holdings. Messrs. Pollock and Peninger have a compliance date of July 1, 2011. Messrs. Mergelmeyer, Pagano and Schwartz have compliance dates of July 16, 2012, August 1, 2012 and April 28, 2013, respectively. Eligible sources of shares include personal holdings, restricted stock, RSUs, 401(k) holdings and Employee Stock Purchase Plan shares. Shares underlying PSUs are not counted toward the holding requirement unless and until the shares are delivered. The Committee tracks the ownership amount of the non-employee directors and Management Committee on an annual basis. Individuals who do not comply with the guidelines as of the applicable compliance date will be prohibited from selling shares of Assurant stock until they achieve compliance. As of December 31, 2010, all of our NEOs exceeded their respective stock ownership requirements.

[7] Because some of Mr. Pollock s earlier policies include an automatic increase provision, his per month maximum was $11,619 from January 1, 2010 to March 19, 2010 and $11,671 starting March 20, 2010. Combined with the group LTD maximum benefit of $15,000, this gave Mr. Pollock a combined monthly benefit (including group and Executive LTD) of $26,619 for the period from January 1, 2009 to March 19, 2010 and $26,671 starting March 20, 2010.

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Timing of Equity Grants

Assurant does not coordinate the timing of equity awards with the release of material non-public information. Under the Company s Equity Grant Policy, annual equity awards granted by the Committee pursuant to the ALTEIP must be granted on the second Thursday in March each year. If the Committee decides that a second grant in the same calendar year is necessary for, among other reasons, salary adjustments, promotions or new hires, additional awards under the ALTEIP may generally be granted on the second Thursday in November.

Tax and Accounting Implications

Under Section 162(m), certain compensation amounts in excess of $1 million paid to a public corporation s chief executive officer and the three other most highly-paid executive officers (other than the chief financial officer) are not deductible for federal income tax purposes unless the executive compensation is awarded under a performance-based plan approved by stockholders and meets certain additional requirements specified in the IRC and applicable regulations of the U.S. Department of Treasury. The Committee continues to emphasize performance-based compensation for Assurant s executives and seeks to minimize the impact of Section 162(m). However, because the Committee believes that its primary responsibility is to provide a compensation program that attracts, retains and rewards the executives necessary to successfully execute the Company s business strategy, in any year the Committee may approve non-performance based compensation (as defined for purposes of Section 162(m)) in excess of $1 million.

The compensation that we pay to the NEOs is reflected in our consolidated financial statements as required by GAAP. The Compensation Committee considers the financial statement impact, along with other factors, in determining the amount and form of compensation provided to executives. We account for stock-based compensation under the ALTEIP and all predecessor plans in accordance with the requirements of FASB ASC Topic 718.

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COMPENSATION OF NAMED EXECUTIVE OFFICERS

Summary Compensation

The following table sets forth the cash and other compensation for the NEOs for 2010, 2009 and 2008, as applicable.

Summary Compensation Table for Fiscal Years 2010, 2009 and 2008

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards[1] ($)	Option Awards[1] ($)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings[2] ($)	All Other Compen-sation[4] ($)	Total ($)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Robert B. Pollock,	2010	950,000		2,856,049		2,208,750	1,656,852	197,837	7,869,488
	2009	950,000		2,382,618		1,083,000	1,810,332	218,248	6,444,198
President and Chief Executive Officer	2008	950,000		593,764	2,450,142	1,638,750	3,120,828	135,025	8,888,509
Michael J. Peninger,	2010	550,000		3,952,350[3]		852,000	1,739,576	86,351	7,180,777
	2009	500,000	500,000[3]	752,391		304,000	602,190	228,301	2,886,882
Executive Vice President and Chief Financial Officer	2008	500,000	100,000	406,242	649,274	460,000	422,417	198,915	2,736,848
Gene E. Mergelmeyer,	2010	500,000		1,446,883[3]		828,000	572,682	106,108	3,453,673
	2009	500,000		1,068,191		596,000	521,190	153,487	2,838,868
Executive Vice President; President and Chief Executive Officer, Assurant Specialty Property	2008	475,000	95,000	148,411	635,850	760,000	1,001,233	97,723	3,213,217
Christopher J. Pagano,	2010	500,000		1,256,883[3]		697,500	528,149	74,624	3,057,156
Executive Vice President, Treasurer and Chief Investment Officer; President, Assurant Asset Management									
Bart R. Schwartz,	2010	500,000		876,883		697,500	296,779	81,214	2,452,376
	2009	500,000		910,291		425,000	132,895	23,006	1,991,192

Executive Vice President
and

Chief Legal Officer

[1] The amounts reported in column (e) for 2010 and 2009 represent awards of PSUs and RSUs, and for 2008 represent awards of restricted stock. These amounts are consistent with the grant date fair values of each award computed in accordance with FASB ASC Topic 718.

The grant date fair values of the 2010 and 2009 PSUs included in column (e) are computed based on the achievement of target level performance for each award. Assuming the achievement of maximum level performance for each NEO, the amounts in column (e) (representing both RSUs and PSUs) would be as follows: (i) for awards granted in 2009: $2,980,178 for Mr. Pollock; $941,090 for Mr. Peninger; $1,256,890 for Mr. Mergelmeyer; and $1,098,990 for Mr. Schwartz; and (ii) for awards granted in 2010: $3,571,573 for Mr. Pollock; $4,228,537 for Mr. Peninger; $1,666,568 for Mergelmeyer; $1,476,568 for Mr. Pagano; and $1,096,568 for Mr. Schwartz. The grant date fair value of PSUs was estimated on the grant date using a Monte Carlo simulation model. Please see Footnote 18, *Stock Based Compensation Performance Share Units*, of the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2010, as filed with the SEC (the 2010 Form 10-K) for a discussion of the Monte Carlo simulation model and the assumptions used in this valuation.

The SARs amounts reported in column (f) for 2008 are consistent with the grant date fair value computed in accordance with FASB ASC Topic 718. The fair value of each outstanding SAR was estimated on the grant date using a Black-Scholes option-pricing model and expense is amortized over the applicable vesting period. Please see Footnote 18, *Stock Based Compensation Stock Appreciation Rights*, of the 2010 Form 10-K for a discussion of the Black-Scholes option-pricing model and the assumptions used in this valuation.

[2] The change in pension value is the aggregate change in the actuarial present value of the respective NEO s accumulated benefit under the Company s three defined benefit pension plans (the SERP, the Executive Pension Plan and the Assurant Pension Plan) from December 31, 2009 to December 31, 2010, from December 31, 2008 to December 31, 2009 and from December 31, 2007 to

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December 31, 2008. For each plan, the change in the pension value is determined as the present value of the NEO s accumulated benefits at December 31, 2008, December 31, 2009 or December 31, 2010 plus the amount of any benefits paid from the plan during the year less the present value of the accumulated benefits at December 31, 2007, December 31, 2008 or December 31, 2009, as applicable. Present values of accumulated benefits at December 31, 2007, December 31, 2008, December 31, 2009 and December 31, 2010 use the same assumptions as included in the financial statements in the Company s Annual Reports on Form 10-K for the fiscal years ending December 31, 2007, December 31, 2008, December 31, 2009 and December 31, 2010, respectively, as filed with the SEC.

[3] These amounts include the grant date fair value of special equity awards of 75,000 RSUs, 15,000 RSUs and 10,000 RSUs granted to Messrs. Peninger, Mergelmeyer and Pagano, respectively, in December 2010. For more information regarding these awards, please see the section entitled CD&A *Long-Term Equity Incentive Compensation* on page 15, above.

[4] The table below details the amounts reported in the All Other Compensation column, which include premiums paid for Executive, LTD; Company contributions to the Executive 401(k) Plan; Company contributions to the Assurant 401(k) Plan; dividends and dividend equivalents; and certain other amounts during 2010:

Name	Executive LTD	Company Contributions to Executive 401(k)	Company Contributions to Assurant 401(k)	Perquisites and Other Personal Benefits	Dividends and Dividend Equivalents[1]	Other Amounts[2]	Total
Robert B. Pollock	$ 4,331	$ 125,160	$ 17,150		$ 51,196		$ 197,837
Michael J. Peninger	$ 4,533	$ 42,630	$ 17,150		$ 21,788	$ 250	$ 86,351
Gene E. Mergelmeyer	$ 2,521	$ 59,839	$ 17,150		$ 22,752	$ 3,846	$ 106,108
Christopher J. Pagano	$ 2,785	$ 39,130	$ 17,150		$ 15,559		$ 74,624
Bart R. Schwartz	$ 1,969	$ 47,600	$ 9,800		$ 21,845		$ 81,214

[1] The amounts in this column reflect the dollar value of dividends and dividend equivalents paid in 2010 on unvested awards of restricted stock and RSUs, respectively, that were not factored into the grant date fair value required to be reported for these awards in column (e). The amounts in column (i) for each of 2010 and 2009 reflect the dollar value of dividends and dividend equivalents paid in 2009 on unvested awards of restricted stock and RSUs, respectively, that were not factored into the grant date fair value required to be reported for these awards in column (e), and for 2008 reflect the dollar value of dividends paid on restricted stock that were not factored into the grant date fair values reported in column (e). No dividends or dividend equivalents were paid on PSUs in 2010 or 2009.

[2] Amounts in this column reflect (i) in the case of Mr. Peninger, the value of an employee anniversary award under an employee-wide program, and (ii) in the case of Mr. Mergelmeyer, a payment made during 2010 for unused vacation time during 2010, as required by California state law.

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Grants of Plan-Based Awards

The table below sets forth individual grants of awards made to each NEO during 2010.

Grants of Plan-Based Awards Table for Fiscal Year 2010

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards[1]			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units	All Other Option Awards Number of Securities Underlying Options	Exercise or Base Price of Option Awards:	Grant Date Fair Value of Stock and Option Awards
Name	Grant Date	Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)	(#)	(#)	($/Sh)[2]	($)[2]
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Robert B. Pollock	3/11/2010							43,208		32.98	$ 1,425,000
	3/11/2010				21,604	43,208	64,812			33.12	$ 1,431,049
		0	1,425,000	2,850,000							
Michael J. Peninger	3/11/2010							16,677		32.98	$ 550,007
	3/11/2010				8,339	16,677	25,016			33.12	$ 552,342
	12/9/2010							75,000		38.00	$ 2,850,000
		0	550,000	1,100,000							
Gene E. Mergelmeyer	3/11/2010							13,266		32.98	$ 437,513
	3/11/2010				6,633	13,266	19,899			33.12	$ 439,370
	12/9/2010							15,000		38.00	$ 570,000
		0	450,000	900,000							
Christopher J. Pagano	3/11/2010							13,266		32.98	$ 437,513
	3/11/2010				6,633	13,266	19,899			33.12	$ 439,370
	12/9/2010							10,000		38.00	$ 380,000
		0	450,000	900,000							
Bart R. Schwartz	3/11/2010							13,266		32.98	$ 437,513
	3/11/2010				6,633	13,266	19,899			33.12	$ 439,370
		0	450,000	900,000							

1 The values in columns (c), (d), and (e) are based on multiplying a 0 (threshold), 1 (target), and 2 (maximum) multiplier times each NEO s annual incentive target award percentage. The actual annual incentive award earned by each NEO for 2010 performance is reported in the column entitled Non-Equity Incentive Plan Compensation in the Summary Compensation Table.

2 The base price of 2010 RSU awards is equal to the closing price of Assurant, Inc. Common Stock on the grant date. The grant date fair value of each RSU award was computed in accordance with FASB ASC Topic 718 using the closing price of our Common Stock on the grant date.

The base price of 2010 PSU awards and the grant date fair value of each PSU award were computed in accordance with FASB ASC Topic 718 based on achievement of target performance and estimated on the grant date using a Monte Carlo simulation model. Please see Footnote 18, *Stock Based Compensation-Performance Share Units*, of the Company s 2010 Form 10-K for a discussion of the Monte Carlo simulation model and the assumptions used in this valuation.

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Narrative to the Summary Compensation Table and Grants of Plan-Based Awards Table

Annual Incentive Awards

Annual incentive awards are paid pursuant to the ESTIP approved by the Company s stockholders in May 2008. The aggregate payments to all ESTIP participants for any performance period cannot exceed 5% of the Company s net income (as defined in the ESTIP). This aggregate maximum amount is allocated to all participants equally, except that the amount allocated to the Chief Executive Officer is twice the amount allocated to the other participants. At the end of each year, the Committee certifies the amount of the Company s net income and the maximum award amounts that can be paid under the ESTIP. The Committee then has discretion to pay an incentive award that is less than the applicable maximum. For 2010, the Committee exercised negative discretion to reduce participants awards by applying the performance goals described in the CD&A under the heading *Annual Incentive Compensation* on page 12, above. The threshold, target and maximum payout amounts disclosed in the Grants of Plan-Based Awards Table reflect the application of these performance goals.

Long-Term Equity Incentive Awards

Our outstanding equity-based awards have been granted under two long-term incentive compensation plans, the ALTEIP and the Assurant, Inc. 2004 Long-Term Incentive Plan (the ALTIP) . The ALTEIP was approved by the Company s stockholders in May 2008. Since that time, equity grants to our NEOs have been awarded pursuant to the ALTEIP. In 2009 and 2010, 50% of each NEO s target long-term equity incentive award was provided in the form of RSUs, and 50% in the form of PSUs. The RSUs vest in three equal annual installments on each of the first three anniversaries of the grant date, subject to full or partial acceleration in connection with certain qualifying events. Dividend equivalents on RSUs are paid in cash during the vesting period. Participants do not have voting rights with respect to RSUs. PSUs vest on the third anniversary of the grant date, subject to a participant s continuous employment through the vesting date and the level of performance achieved. Dividend equivalents on PSUs are accrued and paid in cash at the end of the performance period in accordance with the level of performance achieved. Participants do not have voting rights with respect to PSUs.

Prior to the adoption of the ALTEIP, our NEOs were awarded stock appreciation rights (SARs) and shares of restricted stock under the ALTIP. No additional equity awards may be granted under the ALTIP. Restricted stock awards granted under the ALTIP also vest in three equal installments on each of the first three anniversaries of the grant date. Restricted stock award recipients, as beneficial owners of the shares, have full voting and dividend rights with respect to the shares during and after the restricted period. Dividends are paid in cash and are not eligible for reinvestment during the restricted period. SARs granted under the ALTIP vest on the third anniversary of the grant date. To the extent not previously exercised, SARs are automatically exercised on the earliest of (i) the fifth anniversary of the grant date, (ii) the second anniversary of the participant s termination of employment for reason of death or disability and (iii) ninety days following the participant s termination of employment for reasons other than retirement, disability or death.

For a discussion of the role of long-term equity incentive compensation in our overall NEO compensation program, as well as an explanation of the ratio of long-term equity incentive compensation to total compensation, please see the sections entitled CD&A *Mix of Total Direct Compensation Elements* and *Long-Term Equity Incentive Compensation* on pages 11 and 15, respectively, above.

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Outstanding Equity Awards at Fiscal Year End

The table below provides information concerning unexercised options and stock that has not vested for each NEO outstanding as of December 31, 2010.

Outstanding Equity Awards Table for Fiscal Year 2010

	Option Awards[1]					Stock Awards[1]			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable[2]	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price[2] ($)	Option Expiration Date[2]	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested[3] ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested[3] ($)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Robert B. Pollock	Converted SARs[2]								
	122,347			22.00	01/01/2012				
	6,137			22.88	01/01/2012				
	2,920			48.08	01/01/2012				
	4,555			30.83	01/01/2012				
	5,820			25.08	01/01/2013				
	4,365			33.45	01/01/2013				
	6,666			21.89	01/01/2013				
	104,637			22.00	01/01/2013				
	3,442			42.43	01/01/2013				
	5,348			28.26	01/01/2014				
	4,564			33.13	01/01/2014				
	4,831			31.30	01/01/2014				
	5,691			26.56	01/01/2014				
	82,473			22.00	01/01/2014				
	All Other SARs								
	109,894			49.25	04/01/2011				
	132,350			53.48	03/08/2012				
		173,400[4]		60.65	03/13/2013				
						3,270[5]	125,960		
						43,208[11]	1,664,372		
								58,613[10]	2,257,773
							any Event of Default with respect to the Notes has occurred and is continuing, or any other event has occurred		

	and is continuing, which after notice or lapse of time, would become an Event of Default with respect to the Notes, and any beneficial owner requests that its beneficial interest be exchanged for a physical certificate.

With respect to the Notes, this paragraph replaces the antepenultimate and penultimate paragraphs of the Book-Entry Securities section of the accompanying prospectus in their entirety.

DTC may discontinue providing its services as securities depository with respect to the Notes at any time by giving us or the indenture trustee reasonable notice. In the event no successor securities depository is obtained, certificates for the Notes will be printed and delivered.

The information in this section concerning DTC s book-entry system has been obtained from sources that we believe to be reliable, but neither we nor the underwriters take any responsibility for the accuracy of this information.

The indenture trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under the indenture or under applicable law with respect to any transfer of any interest in any Note (including any transfers between or among direct participant of DTC or beneficial owners of interests in any Note) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of, the indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

Neither the indenture trustee nor any agent shall have any responsibility or liability for any actions taken or not taken by DTC.

DESCRIPTION OF CAPITAL STOCK

Our authorized capital stock currently consists of 400,000,000 shares of common stock, without par value, and 5,000,000 shares of preferred stock, without par value. For a further description of the terms and conditions of our capital stock, see Description of Capital Stock in the accompanying prospectus.

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MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

The following discussion describes the material U.S. federal income tax consequences to U.S. holders (as defined below) and non-U.S. holders (as defined below) of the purchase, ownership and disposition of Equity Units acquired in this offering and our common stock acquired under a purchase contract and is the opinion of Hunton & Williams LLP, counsel to the Company, insofar as it relates to legal conclusions with respect to matters of U.S. federal income tax law. This discussion is based on current provisions of the Code, U.S. Treasury regulations promulgated thereunder, and administrative rulings and judicial decisions, each as in effect as of the date of this prospectus supplement. These authorities may change, possibly with retroactive effect, and any such change could affect the accuracy of the statements and conclusions set forth herein.

Unless otherwise stated, this discussion deals only with Equity Units, including components thereof, and DTE Energy common stock held as capital assets (generally, assets held for investment) by holders that purchase Equity Units upon original issuance at their issue price, which will equal the first price to the public at which a substantial amount of the Equity Units is sold for money (not including sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The tax treatment of a holder may vary depending on the holder s particular situation. This discussion does not address all of the tax consequences that may be relevant to holders that may be subject to special tax treatment such as, for example, banks, insurance companies, broker-dealers, traders in securities that elect mark-to-market treatment, tax exempt organizations, regulated investment companies, certain former citizens or former longer term residents of the United States, persons holding Equity Units, including components thereof, or shares of DTE Energy common stock as part of a straddle, hedge, conversion transaction or other integrated investment, holders that are entities that are members of the same expanded group (as defined in the proposed Treasury regulations under section 385 of the Code) as DTE Energy and U.S. holders whose functional currency is not the U.S. dollar. This discussion does not address any aspects of state, local, or non-U.S. tax laws.

In addition, this discussion does not address all of the U.S. federal income tax considerations that may be relevant to holders, such as the unearned income Medicare contribution tax or U.S. federal tax laws other than those pertaining to income tax, and the effect of those taxes on the ownership and disposition of the Equity Units, including components thereof, or DTE Energy common stock acquired under a purchase contract.

For purposes of this discussion, the term U.S. holder means a beneficial owner of Equity Units that, for U.S. federal income tax purposes, is:

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

A non-U.S. holder is a beneficial owner of Equity Units that is neither a U.S. holder nor an entity or arrangement treated as a partnership for U.S. federal income tax purposes. If a partnership (or any entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds Equity Units, any component thereof, including applicable ownership interests in Notes (or the Treasury portfolio, or Treasury securities), or any DTE Energy common stock acquired under a purchase contract, the U.S. federal income tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership. Partnerships holding any of the above instruments, and partners in such partnerships, should consult their tax advisors.

The IRS has issued a ruling, Revenue Ruling 2003-97, 2003-2 C.B. 380, addressing certain aspects of instruments substantially similar to the Equity Units. In the Revenue Ruling, the IRS concluded that, for U.S. federal income tax purposes, an interest in a unit comprising a note and a purchase

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contract would be treated as a separate interest in such note and a separate interest in such purchase contract. The IRS also concluded that the notes issued as part of such unit were treated as debt for U.S. federal income tax purposes. Based on, among other material factors, (i) Revenue Ruling 2003-97, (ii) certain assumptions and representations, (iii) the enforceable legal rights of a holder of a Note in the event of a bankruptcy of DTE Energy and (iv) the express terms and conditions of the relevant transaction documents evidencing the Equity Units, the components of the Equity Units will be treated as separable interests and the Notes will be treated as indebtedness of DTE Energy, in each case, for U.S. federal income tax purposes. The Equity Units, however, are complex financial instruments and the conclusion of Revenue Ruling 2003-97 is not binding on the IRS. Thus, the conclusion expressed above, in the second preceding sentence, is not free from doubt and no complete assurance is provided herein (1) that the conclusions in the Revenue Ruling apply to the Equity Units or (2) as to the U.S. federal income tax consequences of the purchase, ownership and disposition of the Equity Units. We have not sought any rulings concerning the treatment of the Equity Units and the tax consequences described herein are not binding on the IRS or the courts, either of which could disagree with the explanations or conclusions contained in this summary. The remainder of this discussion assumes that the Notes will be treated as indebtedness separate from a purchase contract for U.S. federal income tax purposes.

Holders should consult their own tax advisors with respect to the tax consequences to them of the purchase, ownership and disposition of the Equity Units, any component thereof including applicable ownership interests in Notes (or the Treasury portfolio or Treasury securities), and any DTE Energy common stock acquired under a purchase contract, including the tax consequences under state, local, non-U.S. and other tax laws and the possible effects of changes in the U.S. federal or other tax laws.

Allocation of Purchase Price

A holder s acquisition of an Equity Unit will be treated as an acquisition of a unit consisting of two components, an applicable ownership interest in a Notes (or the Treasury portfolio, or Treasury securities) and a related purchase contract. The purchase price of each Equity Unit will be allocated between the components in proportion to their respective fair market values at the time of purchase. The allocation will establish a holder s initial tax basis in the applicable ownership interest in the Notes (or the Treasury portfolio, or Treasury securities) and the purchase contract. DTE Energy will report the fair market value of the applicable ownership interest in the Notes as $50 and DTE Energy will report the fair market value of each purchase contract as $0. This position will be binding upon a holder (but not on the IRS) unless the holder explicitly discloses a contrary position on a statement attached to such holder s timely filed U.S. federal income tax return for the taxable year in which an Equity Unit is acquired. Thus, absent such disclosure, a holder should allocate the purchase price for an Equity Unit in accordance with the foregoing. The remainder of this discussion assumes that this allocation of purchase price will be respected for U.S. federal income tax purposes.

Ownership of Applicable Interests in the Notes or Treasury Securities

Holders will be treated as owning the applicable interests in Notes or Treasury securities constituting a part of the Corporate Units or Treasury Units, respectively, for U.S. federal income tax purposes. DTE Energy and, by virtue of their acquisition of Equity Units, holders agree to treat the applicable interests in the Notes or Treasury securities constituting a part of the Equity Units as owned by holders for U.S. federal income tax purposes, and the remainder of this discussion assumes such treatment. The U.S. federal income tax consequences of owning the applicable interests in the Notes or Treasury securities are discussed below (see Notes, Treasury Securities and Remarketing or Redemption of Notes).

U.S. Holders

Sales, Exchanges or Other Taxable Dispositions of Equity Units

If a U.S. holder sells, exchanges or otherwise disposes of an Equity Unit in a taxable disposition (a disposition), the U.S. holder will be treated as having sold, exchanged or disposed of each of the purchase contract and the applicable ownership interest in the Notes, or the applicable ownership interest in the Treasury portfolio or the Treasury securities, as the case may be, that constitute such Equity Unit, and the proceeds real-

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ized on such disposition will be allocated among the components of the Equity Unit in proportion to the respective fair market values of the components. As a result, a U.S. holder generally will recognize gain or loss equal to the difference between the portion of the proceeds received that is allocable to the component and such holder s adjusted tax basis in the applicable component, except to the extent the holder is treated as receiving an amount with respect to accrued interest, accrued contract adjustment payments or deferred contract adjustment payments on the purchase contract, which amount may be treated as ordinary income to the extent not previously included in income. In the case of the purchase contract, or the applicable ownership interest in the Treasury portfolio and Treasury securities, such gain or loss will generally be capital gain or loss, and such gain or loss generally will be long-term capital gain or loss if the U.S. holder held the particular component for more than one year at the time of such disposition. Under U.S. federal income tax law, certain non-corporate holders, including individuals, are eligible for preferential tax rates with respect to long-term capital gains. The deductibility of capital losses is subject to certain limitations. The rules governing the determination of the character of gain or loss on the disposition of applicable ownership interests in Notes are summarized under Notes Sales, Exchanges or Other Taxable Dispositions of Applicable Ownership Interests in Notes.

If the disposition of an Equity Unit occurs when the purchase contract has a negative value, a U.S. holder may be considered to have received additional consideration for the applicable ownership interest in the Notes, or the applicable ownership interest in the Treasury portfolio or Treasury securities, as the case may be, in an amount equal to such negative value and to have paid such amount to be released from their obligation under the purchase contract. However, the U.S. federal income tax consequences are, in the absence of any authorities on point, unclear. U.S. holders should consult their tax advisors regarding a disposition of an Equity Unit at a time when the purchase contract has a negative value.

Notes

The discussion in this section applies to a U.S. holder that holds Notes or Corporate Units that include applicable ownership interests in Notes.

Interest Income and Original Issue Discount

DTE Energy intends to treat the Notes as variable rate debt instruments that are subject to applicable U.S. Treasury regulations that apply to reset bonds and that are deemed to mature, solely for the purposes of the accrual of original issue discount (OID), on the date immediately preceding the purchase contract settlement date, October 1, 2019, for an amount equal to 100% of their principal amount. Based on the above, interest payable on the Notes will generally be taxable to a U.S. holder as ordinary interest income at the time it is paid or accrued, in accordance with such holder s method of accounting for tax purposes. There are, however, no Treasury regulations, rulings or other authorities that address whether debt instruments that are substantially similar to the Notes should be treated as variable rate debt instruments, and therefore the U.S. federal income tax treatment of the Notes is unclear. For example, it is possible that the Notes could be treated as contingent payment debt instruments. In that case, U.S. holders would be required to accrue interest income on a constant yield basis at an assumed yield determined at the time of issuance of the Notes, with adjustments to such accruals when payments are made that differ from the payments calculated based on the assumed yield. In addition, U.S. holders would be required to treat any gain recognized on the sale or other disposition of the Notes as ordinary income rather than as capital gain. U.S. holders should consult their tax advisors regarding the tax consequences of the Notes being treated as contingent payment debt instruments. The remainder of this discussion assumes that the Notes are (1) not treated as contingent payment debt instruments and (2) treated as variable rate debt instruments in the manner described above.

Tax Basis in Applicable Ownership Interests in Notes

A U.S. holder s tax basis in an applicable ownership interest in Notes will be based on the purchase price for the Notes as described under Allocation of Purchase Price above.

Sales, Exchanges or Other Taxable Dispositions of Applicable Ownership Interests in Notes

A U.S. holder will recognize gain or loss on a disposition of an applicable ownership interest in Notes (including a redemption for cash or the remarketing thereof) in an amount equal to the difference between the

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amount realized by the U.S. holder on the disposition of the applicable ownership interest in Notes and the U.S. holder s adjusted tax basis in the applicable ownership interest in Notes. For purposes of determining gain or loss, the proceeds received by such U.S. holder upon such a disposition will not include any amount properly attributable to accrued but unpaid interest, which amount will be taxable as ordinary interest income to the extent not previously included in income by such U.S. holder. Any such gain or loss generally will be capital gain or loss, and will be long-term capital gain or loss if, at the time of such disposition, the U.S. holder held such Note for a period of more than one year. Under U.S. federal income tax law, certain non-corporate U.S. holders, including individuals, are eligible for preferential tax rates in respect of long-term capital gains. The deductibility of capital losses is subject to certain limitations.

Treasury Securities

The discussion in this section applies to a U.S. holder that holds Treasury Units or Treasury securities.

Original Issue Discount

If a U.S. holder holds Treasury Units, such U.S. holder will be required to treat its ownership interest in the Treasury securities included in a Treasury Unit as an interest in a bond that was originally issued on the date the U.S. holder acquired the Treasury securities. Any such Treasury securities that are owned or treated as owned by such U.S. holder will have OID equal to the excess of the amount payable at maturity of such Treasury securities over the purchase price thereof. A U.S. holder will be required to include such OID in income on a constant yield to maturity basis over the period between the purchase date of the Treasury securities and the maturity date of the Treasury securities, regardless of their regular method of tax accounting and in advance of the receipt of cash attributable to such OID. A U.S. holder s adjusted tax basis in the Treasury securities will be increased by the amounts of such OID included in such U.S. holder s gross income.

Sales, Exchanges or Other Taxable Dispositions of Treasury Securities

As discussed below, in the event that a U.S. holder obtains the release of Treasury securities by delivering applicable ownership interests in Notes to the collateral agent, such U.S. holder generally will not recognize gain or loss upon such substitution. A U.S. holder will recognize gain or loss on a subsequent disposition of the Treasury securities in an amount equal to the difference between the amount realized by such U.S. holder on such disposition and the U.S. holder s adjusted tax basis in the Treasury securities. Such gain or loss generally will be capital gain or loss and generally will be long-term capital gain or loss if the U.S. holder held such Treasury securities for more than one year at the time of such disposition. Under U.S. federal income tax law, certain non-corporate U.S. holders, including individuals, are eligible for preferential tax rates in respect of long-term capital gains. The deductibility of capital losses is subject to certain limitations.

Purchase Contracts

Contract Adjustment Payments and Deferred Contract Adjustment Payments

There is no direct authority addressing the treatment of the contract adjustment payments, and such treatment is, therefore, unclear. Contract adjustment payments may constitute taxable ordinary income to holders when received or accrued, in accordance with their regular method of tax accounting. To the extent we are required to file information returns with respect to contract adjustment payments, we intend to report such payments as taxable ordinary income to U.S. holders. The following discussion assumes that the contract payments are so treated for U.S. federal income tax purposes. However, other treatments are possible. In addition, if we exercise our right to defer contract adjustment payments, a holder may be required to continue to recognize income for U.S. federal income tax purposes in respect of the purchase contracts in advance of the receipt of any corresponding cash payments. U.S. holders should consult their tax advisors concerning the treatment of contract adjustment payments, including the possibility that any contract adjustment payment may be treated as a purchase price adjustment, rebate or payment analogous to an option premium, rather than being includible in income on a current basis, as well as the treatment of deferred contract adjustment payments, if any. The treatment of contract adjustment payments and deferred contract adjustment payments, if any, could affect a U.S. holder s adjusted tax basis in a purchase contract or our common stock received under a purchase contract or the amount realized by a holder upon the sale or other disposition of an Equity Unit or the termination of a purchase contract.

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Acquisition of DTE Energy Common Stock under a Purchase Contract

A U.S. holder generally will not recognize gain or loss on the purchase of DTE Energy common stock under a purchase contract, including upon early settlement upon a fundamental change or any other early settlement, except with respect to any cash paid in lieu of a fractional share of DTE Energy common stock. A U.S. holder s aggregate initial tax basis in DTE Energy common stock received under a purchase contract will generally equal the purchase price paid for such common stock, plus the properly allocable portion of the U.S. holder s adjusted tax basis (if any) in the purchase contract, less the portion of such purchase price and adjusted tax basis allocable to a fractional share. The holding period for DTE Energy common stock received under a purchase contract will commence on the day following the acquisition of such common stock.

Ownership of DTE Energy Common Stock Acquired under the Purchase Contract

Any distribution on DTE Energy common stock paid by DTE Energy out of its current or accumulated earnings and profits (as determined for U.S. federal income tax purposes) will constitute a dividend and will be includible in income by a U.S. holder when received. Any such dividend will be eligible for the dividends-received deduction if the U.S. holder is an otherwise qualifying corporate holder that meets the holding period and other requirements for the dividends-received deduction. Under U.S. federal income tax law, individuals who receive dividends are eligible for a reduced rate of taxation if certain holding period and other requirements are satisfied. Upon a disposition of DTE Energy common stock, a U.S. holder generally will recognize capital gain or loss equal to the difference between the amount realized and the U.S. holder s adjusted tax basis in DTE Energy common stock. Such capital gain or loss generally will be long-term capital gain or loss if the U.S. holder held such common stock for more than one year at the time of such disposition. Under U.S. federal income tax law, certain non-corporate U.S. holders, including individuals, are eligible for preferential tax rates in respect of long-term capital gains. The deductibility of capital losses is subject to certain limitations.

Early Settlement of Purchase Contract

A U.S. holder will not recognize gain or loss on the receipt of its proportionate share of applicable interests in Notes or Treasury securities or the applicable ownership interest in a Treasury portfolio upon early settlement of a purchase contract, and the U.S. holder will have the same adjusted tax basis in such applicable interests in Notes, Treasury securities or the applicable ownership interest in a Treasury portfolio as before such early settlement.

Termination of Purchase Contract

If a purchase contract terminates, a U.S. holder will recognize gain or loss equal to the difference between the amount realized (if any) upon such termination and the U.S. holder s adjusted tax basis (if any) in the purchase contract at the time of such termination. Such gain or loss generally will be capital gain or loss and generally will be long-term capital gain or loss if the U.S. holder held such purchase contract for more than one year prior to such termination. Under U.S. federal income tax law, certain non-corporate holders, including individuals, are eligible for preferential tax rates in respect of long-term capital gains. The deductibility of capital losses is subject to certain limitations. A U.S. holder will not recognize gain or loss on the receipt of the U.S. holder s proportionate share of applicable ownership interests in Notes or Treasury securities or the applicable ownership interest in a Treasury portfolio upon termination of the purchase contract and will have the same adjusted tax basis in the applicable ownership interests in Notes, Treasury securities or the applicable ownership interest in a Treasury portfolio as before such distribution.

Adjustment to Settlement Rate

A U.S. holder may be treated as receiving a constructive distribution from DTE Energy if (1) the settlement rate is adjusted (or fails to be adjusted) and as a result of that adjustment (or failure to adjust) such U.S. holder s proportionate interest in DTE Energy s assets or earnings and profits is increased and (2) the adjustment (or failure to adjust) is not made pursuant to a bona fide, reasonable anti-dilution formula. An adjustment in the settlement rate would not be considered made pursuant to such a formula if the adjustment were made to

compensate a U.S. holder for certain taxable distributions with respect to DTE Energy common stock. Thus, under certain circumstances, an adjustment to (or a failure to adjust) the settlement rate might give rise to a taxable dividend to such U.S. holder even though such U.S. holder would not receive any distribution related thereto. In addition, the U.S. Department of the Treasury and the IRS recently published proposed Treasury regulations that, if finalized, may affect a U.S. holder deemed to receive such a distribution. U.S. holders should consult their tax advisors regarding the effect, if any, of the proposed Treasury regulations in their particular circumstances. Under the proposed regulations, we may be required to report certain information as a result of constructive distributions by filing a return with the IRS or posting such return on our website.

Substitution of Treasury Securities to Create or Recreate Treasury Units

A U.S. holder of Corporate Units that delivers Treasury securities to the collateral agent in substitution for applicable ownership interests in the Notes or the applicable ownership interest in a Treasury portfolio will not recognize gain or loss upon its delivery of such Treasury securities or its receipt of the applicable ownership interest in Notes or the applicable ownership interest in a Treasury portfolio. In each case, the U.S. holder will continue to take into account items of income or deduction otherwise includible or deductible, respectively, by such U.S. holder with respect to such Treasury securities and such applicable ownership interests in Notes or the applicable ownership interest in a Treasury portfolio, and its adjusted tax basis in the Treasury securities, the applicable ownership interests in Notes or the applicable ownership interest in a Treasury portfolio and the purchase contract will not be affected by such delivery and release.

Substitution of Applicable Ownership Interests in Notes or the Applicable Ownership Interest in a Treasury Portfolio to Recreate Corporate Units

A U.S. holder of Treasury Units that delivers applicable ownership interests in Notes or the applicable ownership interest in a Treasury portfolio to the collateral agent in substitution for Treasury securities to recreate Corporate Units will not recognize gain or loss upon its delivery of such applicable ownership interests in Notes or the applicable ownership interest in a Treasury portfolio or its receipt of the Treasury securities. A U.S. holder will continue to take into account items of income or deduction otherwise includible or deductible, respectively, by such U.S. holder with respect to such Treasury securities and applicable ownership interests in Notes or the applicable ownership interest in a Treasury portfolio, and its adjusted tax basis in the Treasury securities, applicable ownership interests in the Notes or the applicable ownership interest in a Treasury portfolio and the purchase contract will not be affected by such delivery and release.

Remarketing or Redemption of Notes

A remarketing or a redemption of the Notes will be a taxable event for a U.S. holder of applicable ownership interests in Notes, which will be subject to tax in the manner described above under Notes Sales, Exchanges or Other Taxable Dispositions of Applicable Ownership Interests in Notes.

Ownership of Treasury Portfolio

In the event of a successful optional remarketing of the Notes, DTE Energy and, by virtue of its acquisition of Corporate Units, each U.S. holder agrees to treat the applicable ownership interest in the Treasury portfolio constituting a part of its Corporate Units as owned by such U.S. holder for U.S. federal income tax purposes. In such a case, a U.S. holder will be required to include in income any amount earned on such pro rata portion of the Treasury portfolio for U.S. federal income tax purposes. The remainder of this discussion assumes that a U.S. holder of Corporate Units will be treated as the owner of the applicable ownership interest in the Treasury portfolio constituting a part of such Corporate Units for U.S. federal income tax purposes.

Interest Income and Original Issue Discount

The Treasury portfolio will consist of U.S. Treasury securities (or principal or interest strips thereof). Following a successful optional remarketing of the Notes, a U.S. holder of Corporate Units will be required to treat its pro rata portion of each U.S. Treasury security in the Treasury portfolio as a bond that was originally issued

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on the date the collateral agent acquired the relevant U.S. Treasury securities and that has OID equal to its pro rata portion of the excess of the amounts payable on such U.S. Treasury securities over the value of the U.S. Treasury securities at the time the collateral agent acquires them on behalf of such U.S. holder of Corporate Units. A U.S. holder will be required to include such OID (other than OID on short-term U.S. Treasury securities (as defined below)) in income for U.S. federal income tax purposes as it accrues on a constant yield to maturity basis, regardless of the U.S. holder s regular method of tax accounting. To the extent that a payment from the Treasury portfolio made in respect of a scheduled interest payment on remarketed or redeemed applicable ownership interests in Notes exceeds the amount of such OID, such payment will be treated as a return of a U.S. holder s investment in the Treasury portfolio and will not be considered current income for U.S. federal income tax purposes. In the case of any U.S. Treasury security with a maturity of one year or less from the date of its issue (a short-term U.S. Treasury security), a U.S. holder will generally be required to include OID in income as it accrues only if the U.S. holder is an accrual basis taxpayer. If a U.S. holder is an accrual basis taxpayer, such U.S. holder will generally accrue such OID on a straight line basis, unless such U.S. holder makes an election to accrue such OID on a constant yield to maturity basis.

Tax Basis of the Applicable Ownership Interest in a Treasury Portfolio

The initial tax basis of a U.S. holder in its applicable ownership interest in a Treasury portfolio will equal its pro rata portion of the amount paid by the collateral agent for the Treasury portfolio. A U.S. holder s adjusted tax basis in the applicable ownership interest in the Treasury portfolio will be increased by the amount of OID included in income with respect thereto and decreased by the amount of cash received in respect of the Treasury portfolio.

Sales, Exchanges or Other Dispositions of the Applicable Ownership Interest in a Treasury Portfolio

A U.S. holder that obtains the release of its applicable ownership interest in a Treasury portfolio and subsequently disposes of such interest will recognize gain or loss on such disposition in an amount equal to the difference between the amount realized upon such disposition and such U.S. holder s adjusted tax basis in the applicable ownership interest in that Treasury portfolio. Such gain or loss generally will be capital gain or loss and generally will be long-term capital gain or loss if such U.S. holder held such applicable interest in the Treasury portfolio for more than one year at the time of such disposition. Under U.S. federal income tax law, certain non-corporate U.S. holders, including individuals, are eligible for preferential tax rates in respect of long-term capital gains. The deductibility of capital losses is subject to certain limitations.

Information Reporting and Backup Withholding

Unless a U.S. holder is an exempt recipient (and, if requested, demonstrates such fact), such as a corporation, interest, OID, contract adjustment payments or deferred contract adjustment payments, and dividends received on, and proceeds received from the sale of, Equity Units, applicable ownership interests in Notes, purchase contracts, Treasury securities, the applicable ownership interest in a Treasury portfolio, or DTE Energy common stock acquired under a purchase contract, as the case may be, may be subject to information reporting and may also be subject to U.S. federal backup withholding if such U.S. holder fails to supply accurate taxpayer identification numbers or otherwise fail to comply with applicable U.S. information reporting or certification requirements. The current backup withholding rate is 28%. The amount of any backup withholding from a payment to a U.S. holder will be allowed as a credit against the U.S. holder s U.S. federal income tax liability and may entitle the holder to a refund, provided that the required information is timely and properly furnished to the IRS.

Additional Disclosure Requirements

If a U.S. holder sells Equity Units, applicable ownership interests in the Notes, the applicable ownership interest in the Treasury portfolio, Treasury securities, or DTE Energy common stock at a loss that meets certain thresholds, such U.S. holder (and/or the partners or shareholders of the holder, if the holder is a partnership or an S corporation for U.S. federal income tax purposes) may be required to file a disclosure statement with the IRS. U.S. holders and their partners or shareholders should consult their own tax advisors with respect to any disclosure requirements that may apply to them in their own particular circumstances.

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Non-U.S. Holders

The following discussion applies to non-U.S. holders as defined above. This discussion does not address all aspects of U.S. federal income tax law that may be relevant to non-U.S. holders in light of their particular circumstances, such as non-U.S. holders that are subject to special tax treatment (for example, persons engaged in a trade or business in the United States, controlled foreign corporations (or their shareholders), or passive foreign investment companies (or their shareholders)), nor does it address alternative minimum taxes, estate or generation-skipping taxes or state, local, or non-U.S. taxes. In addition, this discussion does not address the U.S. tax consequences to any non-U.S. holder that owns or is deemed to own, for purposes of section 871(h) of the Code, 10% or more of the total combined voting power of all classes of DTE Energy s stock entitled to vote.

Prospective non-U.S. holders that are subject to special tax treatment, and non-U.S. holders that own or are deemed to own, for purposes of section 871(h)(3) of the Code, 10% or more of the total combined voting power of all classes of DTE Energy s stock entitled to vote, are urged to consult their own tax advisors with respect to the U.S. federal income tax consequences to them of an investment in the Equity Units, in light of their own particular circumstances.

Payments of Principal and Interest on Applicable Ownership Interests in Notes, Treasury Securities, and the Applicable Ownership Interest in the Treasury Portfolio

Except as provided below under Information Reporting and Backup Withholding and Additional Withholding Requirements, no U.S. withholding tax will be imposed on any payment of principal or interest (including any OID) on applicable ownership interests in Notes, Treasury securities or the applicable ownership interest in the Treasury portfolio, to a non-U.S. holder provided that (1) such interest is not effectively connected with such non-U.S. holder s conduct of a trade or business within the United States, (2) in the case of applicable ownership interests in Notes, the non-U.S. holder does not own, either directly or through the application of certain constructive ownership rules, 10% or more of the total combined voting power of all classes of DTE Energy s voting stock for U.S. federal income tax purposes and is not a controlled foreign corporation that is related to us directly or constructively through stock ownership, (3) in the case of applicable ownership interest in Notes, the non-U.S. holder is not a bank receiving such interest on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business, and (4) (a) the non-U.S. holder provides a properly executed IRS Form W-8BEN or W-8BEN-E (or suitable substitute form) and the payor does not have actual knowledge or reason to know that the non-U.S. holder is a U.S. person, or (b) if the non-U.S. holder is a foreign partnership or holds the Equity Units, applicable ownership interests in Notes, Treasury securities, or the applicable ownership in a Treasury portfolio through certain foreign intermediaries, certain alternative certification requirements are satisfied.

If a non-U.S. holder cannot satisfy one of the last three requirements described above and interest on the Notes, the Treasury securities or the Treasury portfolio, as applicable, is not effectively connected with the conduct of a trade or business in the United States, payments of interest on the Notes, the Treasury securities or the Treasury portfolio, as applicable, will generally be subject to withholding tax at a rate of 30%, or the rate specified by an applicable treaty.

Any interest payments that are effectively connected with such non-U.S. holder s conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, are attributable to a permanent establishment of the non-U.S. holder in the United States) generally are not subject to U.S. federal withholding tax, provided that the non-U.S. holder complies with applicable certification and other requirements. Instead, such payments generally will be subject to U.S. federal income tax on a net income basis and at the graduated U.S. federal income tax rates in the same manner as if such non-U.S. holder were a U.S. person. A non-U.S. holder that is a corporation may be subject to an additional branch profits tax at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

Dividends and Constructive Dividends

Dividends received by a non-U.S. holder on DTE Energy common stock generally will be subject to U.S. withholding tax at a 30% rate, or such lower rate as may be specified by an applicable income tax treaty, unless

effectively connected with such non-U.S. holder s conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, attributable to a permanent establishment of the non-U.S. holder in the United States) and such non-U.S. holder provides a properly completed and executed IRS Form W-8ECI (or successor form). In certain circumstances, a non-U.S. holder may be entitled to a reduced rate of withholding pursuant to an applicable income tax treaty. In order to claim the benefits of an applicable income tax treaty, a non-U.S. holder will be required to provide a properly executed IRS Form W-8BEN or W-8BEN-E (or suitable substitute form).

As discussed above, an adjustment to the settlement rate may result in a constructive distribution that is treated as a taxable constructive dividend to the holder of Equity Units. See U.S. Holders Purchase Contracts Adjustment to Settlement Rate . If DTE Energy determines that any such adjustment results in a constructive dividend to a non-U.S. holder of Equity Units, DTE Energy (or another applicable withholding agent) may withhold on any amount paid to a non-U.S. holder in order to pay the proper U.S. withholding tax on such constructive dividend.

Any dividend payments (including deemed or constructive dividends) to a non-U.S. holder that are effectively connected with such non-U.S. holder s conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, are attributable to a permanent establishment of the non-U.S. holder in the United States) generally are not subject to U.S. federal withholding tax, provided that the non-U.S. holder complies with applicable certification and other requirements. Instead, such payments generally will be subject to U.S. federal income tax on a net income basis and at the graduated U.S. federal income tax rates in the same manner as if such non-U.S. holder were a U.S. person. A non-U.S. holder that is a corporation may be subject to an additional branch profits tax at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

Contract Adjustment Payments

DTE Energy intends to treat any contract adjustment payments paid to a non-U.S. holder as amounts generally subject to U.S. withholding tax at a 30% rate, or such lower rate as may be specified by an applicable income tax treaty, unless effectively connected with such non-U.S. holder s conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, attributable to a permanent establishment of the non-U.S. holder in the United States) and such non-U.S. holder provides a properly completed and executed IRS Form W-8ECI (or successor form). In certain circumstances, a non-U.S. holder may be entitled to a reduced rate of withholding (or a complete exemption from withholding) pursuant to an applicable income tax treaty. In order to claim any benefits of an applicable income tax treaty that may be available, a non-U.S. holder will be required to provide a properly executed IRS Form W-8BEN or W-8BEN-E (or suitable substitute form). Prospective non-U.S. holders should consult their own tax advisors concerning the U.S. tax treatment of contract adjustment payments.

Any contract adjustment payments to a non-U.S. holder that are effectively connected with such non-U.S. holder s conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, are attributable to a permanent establishment of the non-U.S. holder in the United States) generally are not subject to U.S. federal withholding tax, provided that the non-U.S. holder complies with applicable certification and other requirements. Instead, such payments generally will be subject to U.S. federal income tax on a net income basis and at the graduated U.S. federal income tax rates in the same manner as if such non-U.S. holder were a U.S. person. A non-U.S. holder that is a corporation may be subject to an additional branch profits tax at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

Sale, Exchange, or Other Disposition of Equity Units, Applicable Ownership Interests in Notes, Purchase Contracts, Treasury Securities, the Applicable Ownership Interest in the Treasury Portfolio or DTE Energy Common Stock

Subject to the discussion below under Additional Withholding Requirements, any gain recognized by a non-U.S. holder upon the sale, exchange, or other disposition of Equity Units, applicable ownership interests in

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Notes, purchase contracts, Treasury securities, the applicable ownership interest in the Treasury portfolio, or DTE Energy common stock generally will not be subject to U.S. federal income tax, unless (1) the non-U.S. holder is an individual who is present in the United States for 183 days or more during the taxable year in which the disposition takes place and certain other conditions are met, (2) the gain is effectively connected with the non-U.S. holder s conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment of the non-U.S. holder in the United States) or (3) in the case of purchase contracts or shares of DTE Energy s common stock, such purchase contracts or shares of DTE Energy s common stock are considered United States real property interests for U.S. federal income tax purposes. Purchase contracts or DTE Energy common stock generally will be treated as United States real property interests if DTE Energy is (or, during a specified period, has been) a United States real property holding corporation (USRPHC) for U.S. federal income tax purposes.

Any gain described in item (1) above will be subject to U.S. federal income tax at a 30% rate (or such lower rate as may be specified by an applicable income tax treaty), which may be offset by U.S. source capital losses, if any, of the non-U.S. holder.

Any gain described in item (2) above generally will be subject to U.S. federal income tax on a net income basis at regular graduated U.S. federal income tax rates in the same manner as if such non-U.S. holder were a U.S. person. A non-U.S. holder that is a foreign corporation also may be subject to an additional branch profits tax at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

With respect to item (3) above, DTE Energy believes that it has not been and currently is not a USRPHC and DTE Energy does not expect to become one in the future based on anticipated business operations. However, because the determination whether DTE Energy is a USRPHC depends on the fair market value of DTE Energy s U.S. real property relative to the fair market value of its worldwide real property interests and other business assets, there can be no assurance that DTE Energy is not currently or will not in the future become a USRPHC. Even if DTE Energy is or becomes a USRPHC, so long as DTE Energy s common stock continues to be regularly traded on an established securities market, (1) a non-U.S. holder will not be subject to U.S. federal income tax on the disposition of DTE Energy common stock so long as such non-U.S. holder has not held (at any time during the shorter of the five year period preceding the date of disposition or such non-U.S. holder s holding period) more than 5% (actually or constructively) of DTE Energy s total outstanding common stock and (2) a non-U.S. holder generally will not be subject to U.S. federal income tax on the disposition of a purchase contract if either (A) on the day it acquired its purchase contracts, such purchase contracts had a fair market value no greater than 5% of the fair market value of DTE Energy s outstanding common stock (in the case where the Equity Units are not regularly traded on an established securities market) or (B) such non-U.S. holder has not held (at any time during the shorter of the five-year period preceding the date of disposition or such non-U.S. holder s holding period) more than 5% (actually or constructively) of the purchase contracts (in the case where the Equity Units are regularly traded on an established securities market). Non-U.S. holders should consult their tax advisors about the consequences that could result if DTE Energy is, or becomes, a USRPHC.

Information Reporting and Backup Withholding

Information reporting generally will apply to payments of interest, contract adjustment payments and distributions with respect to the Equity Units, the Notes, the Treasury securities, the Treasury portfolio, a purchase contract and DTE Energy common stock purchased under the purchase contract paid to a non-U.S. holder. These reporting requirements apply regardless of whether withholding was reduced or eliminated by an applicable income tax treaty. This information may also be made available to the tax authorities in the country in which a non-U.S. holder resides or is established pursuant to the provisions of a specific treaty or agreement with such tax authorities.

In general, no additional information reporting or backup withholding will be required with respect to payments made by DTE Energy on the Equity Units or applicable ownership interests in the Notes if the non-U.S. holder has provided DTE Energy or the applicable withholding agent with a properly executed IRS Form W-8BEN or W-8BEN-E (or suitable substitute form) and DTE Energy or the applicable withholding agent does

not have actual knowledge or reason to know that the non-U.S. holder is a U.S. person. In addition, no information reporting or backup withholding will be required with respect to proceeds from a disposition of Equity Units, applicable ownership interests in Notes, Treasury securities, the applicable ownership interest in the Treasury portfolio, or DTE Energy common stock (even if the disposition is considered to be effected within the United States or through a U.S. financial intermediary) if the payor receives a properly executed IRS Form W-8BEN or W-8BEN-E (or suitable substitute form) and does not have actual knowledge or reason to know that the non-U.S. holder is a U.S. person, or an exemption is otherwise established. Any amounts withheld under the backup withholding rules will be creditable against the non-U.S. holder s U.S. federal income tax liability, or allowed as a refund, provided that the required information is timely and properly provided to the IRS.

Additional Withholding Requirements

Pursuant to the Foreign Account Tax Compliance Act (FATCA) and the Treasury regulations promulgated thereunder, the relevant withholding agent may be required to withhold 30% of any withholdable payments, which would include any interest (including OID), dividends and contract adjustment payments, and, after December 31, 2018, the gross proceeds of a sale (or principal payments in the case of notes or debt instruments), in each case with respect to DTE Energy stock, Notes, Treasury securities or an applicable ownership interest in a Treasury portfolio, to (1) a foreign financial institution unless such foreign financial institution agrees to verify, report and disclose its holders of U.S. accounts and meets certain other specified requirements or (2) a non-financial foreign entity that is the beneficial owner of the payment unless such entity certifies that it does not have any substantial U.S. owners or provides the name, address and taxpayer identification number of each substantial U.S. owner and such entity meets certain other specified requirements. Under certain circumstances, a holder may be eligible for refunds or credits of the tax. An intergovernmental agreement between the United States and an applicable foreign country may modify the requirements described in this paragraph. Prospective holders should consult with their own tax advisors regarding the possible implications of FATCA on their investment in the Equity Units.

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ERISA CONSIDERATIONS

ERISA, the Code and other federal, state and local laws that are substantively similar or are of similar effect (Similar Law) impose certain restrictions on:

- employee benefit plans (as defined in Section 3(3) of ERISA) subject to Title I of ERISA (ERISA Plans);
- plans described in Section 4975(e)(1) of the Code, including individual retirement accounts and Keogh plans;
- any entities whose underlying assets include plan assets pursuant to 29 C.F.R. Section 2510.3-101 (as modified by Section 3(42) of ERISA) by reason of an ERISA Plan s or a plan s investment in such entities;
- governmental plans and certain church plans (each as defined under ERISA) that are not subject to the provisions of Title I of ERISA or Section 4975 of the Code but are subject to Similar Law (Non-ERISA Plans) (together with ERISA Plans, plans described in Section 4975(e)(1) of the Code and entities whose underlying assets include plan assets by reason of an ERISA Plan s or a plan s investment in such entities, referred to as Plans); and
- persons who have certain specified relationships to a Plan (Parties in Interest as defined under ERISA and Disqualified Persons as defined under the Code). ERISA, the Code and Similar Law impose certain duties on persons who are fiduciaries of a Plan and prohibit certain transactions involving Plan assets and fiduciaries or other Parties in Interest or Disqualified Persons. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of a Plan or the management or disposition of assets of such a Plan, or who renders investment advice to such a Plan for a fee or other compensation, is generally considered a fiduciary of the Plan.

A Plan may purchase Corporate Units (and the securities underlying the Corporate Units) subject to the representations and warranties set forth below and the investing fiduciary s determination that the investment satisfies ERISA s fiduciary standards and other requirements under ERISA, the Code or Similar Law. Accordingly, among other factors, the investing fiduciary should consider whether:

- the investment would satisfy the prudence and diversification requirements of ERISA or Similar Law, including among other things, the risk of loss on such investment and any limitations on liquidity and marketability of such investment;
- an investment in the Corporate Units (and the securities underlying such Corporate Units) is appropriate for the Plan, taking into account the overall investment policy of the Plan and the composition of the Plan s investment portfolio;
- the investment would be consistent with the documents and instruments governing the Plan;
- the investment is made solely in the interest of participants and beneficiaries of the Plan;
- the acquisition, holding and disposition of Corporate Units (and the securities underlying the Corporate Units) would result in (1) a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code for which there is no applicable exemption or (2) a violation of Similar Law; and

the investment would violate ERISA s prohibition on improper delegation of control over or responsibility for Plan assets.

Any Corporate Units (and the securities underlying the Corporate Units) that are acquired or held by, or on behalf of, a Plan will be deemed to constitute assets of such Plan. If DTE Energy, any of the underwriters, or any of their respective affiliates is or becomes a Party in Interest or a Disqualified Person with respect to a Plan subject to ERISA or Section 4975 of the Code, such Plan s acquisition, holding or disposition of the Corporate Units (and the securities underlying the Corporate Units) may constitute or result in a prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code (e.g., the extension of credit or the sale or exchange of property between a Plan and a Party in Interest or Disqualified Person), unless Corporate Units (and the securities underlying the Corporate Units) are acquired and are held pursuant to and in accordance with an applicable exemption. In this regard, the U.S. Department of Labor (DOL) has issued prohibited transaction class exemp-

tions (PTCEs) that may apply to the acquisition and holding of Corporate Units (and the securities underlying the Corporate Units). These class exemptions are PTCE 84-14 (respecting transactions determined by independent qualified professional asset managers), PTCE 90-1 (respecting transactions involving insurance company separate accounts), PTCE 91-38 (respecting transactions involving bank collective investment funds), PTCE 95-60 (respecting transactions involving insurance company general accounts) and PTCE 96-23 (respecting transactions determined by in-house asset managers). In addition, certain statutory prohibited transaction exemptions may be available to provide exemptive relief for a Plan, including, without limitation, the statutory exemption set forth in Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code regarding transactions with certain service providers in which the Plan must pay no more, and receive no less, than adequate consideration.

Even if the conditions specified in one or more of the prohibited transaction exemptions described above (or any similar administrative or statutory exemption) are met, the scope of the relief provided may or may not cover all acts that could be construed as prohibited transactions. For example, certain of the exemptions do not afford relief from the prohibition on self-dealing contained in ERISA Section 406(b) and Code Sections 4975(c)(1)(E) and (F). As a result, there can be no assurance that any exemptions will be available with respect to any particular transaction involving the Corporate Units (and the securities underlying the Corporate Units).

Special considerations also apply to insurance company general accounts. Based on the reasoning of the U.S. Supreme Court in John Hancock Mut. Life Ins. Co. v. Harris Trust and Sav. Bank, 510 U.S. 86 (1993), an insurance company s general account may be deemed to include assets of the Plans investing in the general account (e.g., through the purchase of an annuity contract), and the insurance company might be treated as a Party in Interest with respect to a Plan by virtue of such investment. Any investor that is an insurance company using the assets of an insurance company general account should note that the Small Business Job Protection Act of 1996 added Section 401(c) of ERISA relating to the status of the assets of insurance company general accounts under ERISA and Section 4975 of the Code. Pursuant to Section 401(c), the DOL issued final regulations effective January 5, 2000 (the General Account Regulations) with respect to insurance policies issued on or before December 31, 1998, that are supported by an insurer s general account. As a result of the General Account Regulations, assets of an insurance company s general account will not be treated as plan assets for purposes of the fiduciary responsibility provisions of ERISA and Section 4975 of the Code to the extent such assets relate to contracts issued to Plans on or before December 31, 1998 and the insurer satisfies certain conditions. The treatment of plan assets held in an insurance company s separate accounts is unaffected by Section 401(c) of ERISA, and the assets of a separate account (other than a separate account maintained solely in connection with fixed contractual obligations of the insurance company under which the amounts payable are not affected in any manner by the investment performance of the separate account) continue to be treated as the plan assets of any Plan subject to ERISA and/or Section 4975 of the Code invested in such a separate account.

The Corporate Units (and the securities underlying the Corporate Units) should not be acquired or held by a Plan or any person acting on behalf of, or investing assets of, a Plan if such acquisition, holding or disposition would constitute a non-exempt prohibited transaction under ERISA or the Code and should not be acquired or held by a Non-ERISA Plan or a person acting on behalf of, or investing assets of, a Non-ERISA Plan if such acquisition, holding or disposition would violate applicable Similar Law. Additionally, each purchaser, transferee or holder of Corporate Units (and the securities underlying the Corporate Units) that is acquiring or holding the Corporate Units (and the securities underlying the Corporate Units) on behalf of, or with the assets of, any Plan will be deemed to have directed DTE Energy, its affiliates, the purchase contract agent, the collateral agent and the remarketing agents to take the respective actions set forth in this prospectus supplement to be taken by such parties.

Any Plan fiduciary or person that proposes to cause a Plan (or to act on behalf of, or use the assets of, a Plan) to acquire or hold the Corporate Units (and the securities underlying the Corporate Units) should consult with its own counsel with respect to the potential applicability of ERISA, the Code or Similar Law, the potential consequences in its specific circumstances, and whether any exemption or exemptions under ERISA, the Code or Similar Law would be applicable and determine on its own whether all conditions of such exemption or exemptions have been satisfied. In addition, the investing fiduciary should determine whether the investment in the Corporate Units (and the securities underlying the Corporate Units) satisfies ERISA s fiduciary standards and other requirements under ERISA, the Code or Similar Law.

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Accordingly, by its acquisition, holding or disposition of the Corporate Units (and the securities underlying the Corporate Units), each purchaser or holder of the Corporate Units will be deemed to have represented and warranted that either:

the purchaser or holder is not acquiring or holding the Corporate Units (and the securities underlying the Corporate Units) on behalf of, or with the assets of, any Plan; or

(1) the purchase, holding and disposition of the Corporate Units (and the securities underlying the Corporate Units) will not result in a non-exempt prohibited transaction under ERISA or the Code, or a violation of Similar Law, (2) none of DTE Energy, any of the underwriters, or any of their affiliates exercised any discretionary authority or discretionary control respecting the purchase, holding and disposition of the Corporate Units (and the securities underlying the Corporate Units) and none of DTE Energy, any of the underwriters, or any of their affiliates provided advice that has formed the primary basis for the decision to purchase, hold or dispose of the Corporate Units (and the securities underlying the Corporate Units) and (3) the purchaser or holder hereby directs DTE Energy, its affiliates, the purchase contract agent, the collateral agent and the remarketing agents to take the actions set forth in this prospectus supplement to be taken by such parties.

The sale or transfer of Corporate Units (and the securities underlying the Corporate Units) to a Plan or person acting on behalf of a Plan is in no way a representation by DTE Energy that the purchase, holding or disposition of Corporate Units (and the securities underlying the Corporate Units) meets the legal requirements for investments by Plans or is appropriate for Plans.

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UNDERWRITING

Under the terms and subject to the conditions contained in an underwriting agreement dated the date hereof, each of the underwriters named below, for whom Wells Fargo Securities, LLC is acting as representative, has severally agreed to purchase, and we have agreed to sell to the underwriters, the following number of Corporate Units:

Underwriters	Number of Corporate Units
Wells Fargo Securities, LLC	
Citigroup Global Markets Inc.	
J.P. Morgan Securities LLC	
Total	

The underwriting agreement provides that the obligation of the underwriters to purchase the Corporate Units included in this offering is subject to approval of certain legal matters by counsel and to certain other conditions. The underwriting agreement provides that the underwriters are obligated to purchase all of the Corporate Units if any are purchased. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may be increased or the offering of Corporate Units may be terminated.

The underwriters propose to offer the Corporate Units directly to the public at the public offering price on the cover page of this prospectus supplement and to selling group members at that price less a selling concession not in excess of $ per Corporate Unit. The underwriters and selling group members may allow a discount not in excess of $ per Corporate Unit on sales to other broker/dealers. After the initial public offering, the underwriters may change the public offering price and other selling terms. Sales of Corporate Units made outside of the United States may be made by affiliates of the underwriters.

We estimate that our out of pocket expenses for this offering, excluding the underwriting discount, will be approximately $.

We have agreed to indemnify the underwriters against liabilities under the Securities Act or to contribute to payments which the underwriters may be required to make in that respect.

Prior to this offering, there has been no market for the Corporate Units. We will apply for the listing of the Corporate Units on the NYSE. If approved for listing, trading on the NYSE is expected to commence within 30 days after the Corporate Units are first issued. The underwriters have advised us that they intend to make a market in the Corporate Units but are not obligated to do so and may discontinue market making at any time without notice. No assurance can be given as to how liquid the trading market for the Corporate Units will be.

In connection with the offering, the underwriters may engage in stabilizing transactions, over-allotment transactions, syndicate covering transactions and penalty bids in accordance with Regulation M under the Exchange Act:

Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.

Over-allotment involves sales by the underwriters of Corporate Units in excess of the principal amount of the Corporate Units the underwriters are obligated to purchase, which creates a syndicate short position.

Syndicate covering transactions involve purchases of the Corporate Units in the open market after the distribution has been completed in order to cover syndicate short positions. A short position is more likely to be created if the underwriters are concerned that there may

be downward pressure on the price of the Corporate Units in the open market after pricing that could adversely affect investors who purchase in the offering.

Penalty bids permit the underwriters to reclaim a selling concession from a syndicate member when the Corporate Units originally sold by the syndicate member are purchased in a stabilizing transaction or a syndicate covering transaction to cover syndicate short positions.

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These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of the Corporate Units or preventing or retarding a decline in the market price of the Corporate Units. As a result, the price of the Corporate Units may be higher than the price that might otherwise exist in the open market. These transactions, if commenced, may be discontinued at any time without notice.

The Company has agreed for the period beginning on the date of this prospectus supplement and continuing to and including a period of 45 days, not to, directly or indirectly, offer, sell, contract to sell or otherwise dispose of any Equity Units, purchase contracts or shares of common stock or other capital stock of the Company or any securities convertible or exercisable or exchangeable for securities, purchase contracts or common stock or other capital stock of the Company, without the prior written consent of the representative of the underwriters, subject to certain limited exceptions, including issuances in connection with any stock option plan, stock purchase or other equity incentives or dividend reinvestment plan.

Our directors and executive officers have entered into lock-up agreements with the underwriters prior to the commencement of this offering pursuant to which each of these persons, with limited exceptions, for a period of 45 days after the date of this prospectus supplement, may not, without the prior written consent of the representative, (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares of our common stock or preferred stock or other capital stock (including, without limitation, our common stock which may be deemed to be beneficially owned by us or such directors or executive officers in accordance with the rules and regulations of the SEC and securities which may be issued pursuant to any stock incentive plan, employee stock purchase plan or dividend reinvestment plan) or (2) enter into any swap or other agreement that transfers to another, in whole or in part, directly or indirectly, any of the economic consequences of ownership of our common stock or other capital stock or any securities convertible into or exercisable or exchangeable for any Common Stock or other capital stock, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of our common stock, other capital stock, or such other securities, in cash or otherwise, or publicly announce any intention to do any of the foregoing. In addition, our directors and executive officers may not, without the prior written consent of the representative, during the period ending 45 days after the date of the prospectus supplement, make any demand for or exercise any right with respect to, the registration of any shares of our common stock or any security convertible into or exercisable or exchangeable for our common stock.

The Company has granted the underwriters an option to purchase up to an additional Corporate Units. Upon mutual agreement between the Company and the underwriters, the underwriters may purchase such additional Corporate Units within the 13-day period beginning on, and including, the initial closing date for this offering, solely to cover over-allotments. If the underwriters exercise this option each underwriter will be obligated, subject to conditions contained in the underwriting agreement, to purchase from the Company a principal amount of Corporate Units proportionate to such underwriter s initial principal amount of Corporate Units to be purchased, as reflected in the above table. Assuming full exercise of this over-allotment option, the amounts stated on the cover page of this prospectus supplement would increase as shown below:

	Without Option	With Option
Public offering price	$	$
Underwriting discounts and commissions	$	$
Proceeds, before expenses, to us	$	$

It is expected that delivery of the Corporate Units will be made on or about the date specified on the cover page of this prospectus supplement, which will be the third business day (T+3) following the trade date for the Corporate Units.

Certain of the underwriters and their affiliates have acted as lenders, and performed certain investment banking and advisory and general financing, trustee and banking services for DTE Energy and its affiliates from time to time for which they have received customary fees and expenses. The underwriters and their affiliates may, from time to time, engage in transactions with or perform services for DTE Energy and its affiliates in the ordinary course of their business for which they will receive customary fees and expenses. Wells Fargo Securities LLC is acting as a financial advisor to DTE Energy in connection with the Transaction.

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In addition, certain of the underwriters or their affiliates have agreed to provide us with interim financing for the Transaction in an aggregate amount of $ million in the event this offering is not consummated.

The underwriters are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. One or more of the underwriters or their affiliates that have a lending relationship with us routinely hedge and certain of these other underwriters or their affiliates may hedge, their credit exposure to us consistent with their customary risk management policies. A typical such hedging strategy would include these underwriters or their affiliates hedging such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Corporate Units offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the Corporate Units offered hereby. In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates.

A prospectus in electronic format may be made available on the web sites maintained by one or more underwriters, or selling group members, if any, participating in this offering. The underwriters may agree to allocate a number of Corporate Units to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the representative to underwriters and selling group members that may make Internet distributions on the same basis as other allocations.

Selling Restrictions

General

The Corporate Units are being offered for sale in the United States and in certain jurisdictions outside the United States, subject to applicable law Other than in the United States, no action has been taken by us or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required. The securities offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

Each of the underwriters may arrange to sell securities offered by this prospectus in certain jurisdictions outside the United States, either directly or through affiliates, where they are permitted to do so. In that regard, Wells Fargo Securities, LLC may arrange to sell securities in certain jurisdictions through an affiliate, Wells Fargo Securities International Limited, or WFSIL. WFSIL is a wholly-owned indirect subsidiary of Wells Fargo & Company and an affiliate of Wells Fargo Securities, LLC. WFSIL is a U.K. incorporated investment firm regulated by the Financial Services Authority. Wells Fargo Securities is the trade name for certain corporate and investment banking services of Wells Fargo & Company and its affiliates, including Wells Fargo Securities, LLC and WFSIL.

Canada

The Corporate Units may be sold in Canada 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 Corporate Units must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

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Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus supplement (including any amendment thereto) contains 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.

European Union Prospectus Directive

In relation to each Member State of the European Economic Area (EEA) which has implemented the Prospectus Directive (each, a Relevant Member State), each underwriter has represented and agreed that, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, it has not made and will not make an offer of the Corporate Units which are the subject of the offering contemplated by this prospectus supplement to the public in that Relevant Member State other than:

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

b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant underwriter nominated by DTE Energy for any such offer; or

c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of the Corporate Units referred to in (a), (b) or (c) above shall require DTE Energy or any of the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of these Selling Restrictions provisions, the expression an offer of the Corporate Units to the public in relation to any Corporate Units 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 Corporate Units to be offered so as to enable an investor to decide to purchase or subscribe for the Corporate Units, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State; and the expression Prospectus Directive means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) and includes any relevant implementing measure in the Relevant Member State.

This prospectus supplement and the accompanying prospectus (for the purpose of these Selling Restrictions provisions, collectively referred to as the offering document) have been prepared on the basis that all offers of the Corporate Units offered hereby will be made pursuant to an exemption under the Prospectus Directive, as implemented in Member States of the EEA, from the requirement to produce a prospectus for offers of the Corporate Units offered hereby. Accordingly any person making or intending to make any offer within the EEA of the Corporate Units which are the subject of the placement contemplated in this offering document should only do so in circumstances in which no obligation arises for DTE Energy or any of the underwriters to produce a prospectus for such offer. None of DTE Energy or the underwriters have authorized, nor do they authorize, the making of any offer of the Corporate Units offered hereby through any financial intermediary, other than offers made by the underwriters which constitute the final placement of the Corporate Units contemplated in this offering document.

United Kingdom

In the United Kingdom, this offering document is only being distributed to and is only directed at persons (i) who fall within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 as amended (the Financial Promotion Order), (ii) who fall within Article 49(2)(a) through (d) (high net worth companies, unincorporated associations etc.) of the Financial Promotion Order or (iii) who are persons to whom this offering document may otherwise lawfully be communicated without the need for such document to be approved, made or directed by an authorised person (as defined by Section 31(2) of the Financial Services and Markets Act 2000 (the FSMA)) under Section 21 of the FSMA (all such persons together being referred to as relevant persons).

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In the United Kingdom, any investment or investment activity to which this offering document relates, including the Corporate Units, is available only to relevant persons and will be engaged in only with relevant persons. In the United Kingdom, this offering document must not be acted on or relied on by persons who are not relevant persons.

Switzerland

This document as well as any other material relating to the securities which are the subject of the offering contemplated by this prospectus does not constitute an issue prospectus pursuant to Articles 652a or 1156 of the Swiss Code of Obligations. The securities will not be listed on the SIX Swiss Exchange and, therefore, the documents relating to the securities, including, but not limited to, this document, do not claim to comply with the disclosure standards of the listing rules of the SIX Swiss Exchange and corresponding prospectus schemes annexed to the listing rules of the SIX Swiss Exchange. The securities are being offered in Switzerland by way of a private placement, i.e. to a small number of selected investors only, without any public offer and only to investors who do not purchase the securities with the intention to distribute them to the public. The investors will be individually approached by us from time to time. This document as well as any other material relating to the securities is personal and confidential and does not constitute an offer to any other person. This document may only be used by those investors to whom it has been handed out in connection with the offering described herein and may neither directly nor indirectly be distributed or made available to other persons without our express consent. It may not be used in connection with any other offer and shall in particular not be copied or distributed to the public in (or from) Switzerland.

Dubai International Financial Centre

This prospectus supplement relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority, or DFSA. This prospectus supplement is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for the prospectus supplement. The securities to which this prospectus supplement relates may be illiquid or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this prospectus supplement you should consult an authorized financial advisor.

Hong Kong

The Corporate Units have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to professional investors as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a prospectus as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the Corporate Units has been or may be issued or has been or may be in the possession of any person for the purposes of issue, 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 of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Corporate Units which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Japan

The Corporate Units offered in this prospectus supplement 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 account or 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, or for the account or benefit

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of, others for re-offering or resale, directly or indirectly, in Japan or to, or for the account or benefit of, any 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.

Singapore

This prospectus supplement and the accompanying prospectus have not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus supplement, the accompanying prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Corporate Units, may not be circulated or distributed, nor may the Corporate Units 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 (as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore (the SFA)) pursuant to Section 274 of the SFA; (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to an offer referred to in Section 275(1A) of the SFA, 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 Corporate Units are subscribed or purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) 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 (b) 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 six months after that corporation or that trust has acquired the Corporate Units under Section 275 of the SFA except: (1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or arising from an offer referred to in Section 275(1A) of the SFA (in the case of that corporation) or Section 276(4)(i)(B) of the SFA (in the case of that trust); (2) where no consideration is given for the transfer; or (3) by operation of law.

Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission (ASIC), in relation to the offering. This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001 (the Corporations Act), and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the Corporate Units may only be made to persons (the Exempt Investors) who are sophisticated investors (within the meaning of section 708(8) of the Corporations Act), professional investors (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the Corporate Units without disclosure to investors under Chapter 6D of the Corporations Act.

The Corporate Unites applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring Corporate Units must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

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Cayman Islands

We are prohibited under Cayman Islands law from making any invitation to the public in the Cayman Islands to subscribe for any of our securities. The securities are not offered or sold, and will not be offered or sold, directly or indirectly, to the public in the Cayman Islands and this Prospectus shall not constitute an offer, invitation or solicitation to any member of the public in the Cayman Islands to subscribe for any of the securities.

EXPERTS

The consolidated financial statements 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) incorporated in this prospectus supplement by reference to the Annual Report on Form 10-K for the year ended December 31, 2015 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

LEGAL MATTERS

The validity of the Corporate Units and certain other legal matters relating to this offering will be passed upon for DTE Energy by Patrick B. Carey, Associate General Counsel, and by Hunton & Williams LLP, New York, New York. Mr. Carey beneficially owns shares of DTE Energy common stock. Certain legal matters relating to this offering will be passed upon for the underwriters by Pillsbury Winthrop Shaw Pittman LLP, New York, New York and Davis Polk & Wardwell LLP, New York, New York.

Pillsbury Winthrop Shaw Pittman LLP has represented, and may in the future continue to represent, us and certain of our affiliates in connection with certain spent nuclear fuel and other nuclear waste matters and certain insurance recovery matters unrelated to this offering.

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Prospectus

DTE Energy Company

Common Stock

Debt Securities

Stock Purchase Contracts

Stock Purchase Units

By this prospectus, DTE Energy Company may offer from time to time:

common stock;

senior debt securities and/or subordinated debt securities, including debt securities convertible into common stock of DTE Energy or exchangeable for other securities;

Stock Purchase Contracts; and

Stock Purchase Units.

We will provide specific terms of the securities, including the offering prices, in supplements to this prospectus. The supplements may also add, update or change information contained in this prospectus. You should read this prospectus and any supplements carefully before you invest.

We may offer these securities directly or through underwriters, agents or dealers. This prospectus may also be used by a selling security holder of the securities described herein. The supplements to this prospectus will describe the terms of any particular plan of distribution, including any underwriting arrangements, and will identify any selling security holders. See the Plan of Distribution section beginning on page 27 of this prospectus for more information.

See Risk Factors beginning on page 3 regarding risks associated with an investment in these securities.

The mailing address of DTE Energy Company s principal executive office is One Energy Plaza, Detroit, Michigan 48226-1279, and its telephone number is (313) 235-4000.

DTE Energy Company s common stock is traded on the New York Stock Exchange under the symbol DTE.

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

This prospectus is dated September 28, 2016

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You should rely only on the information contained or incorporated by reference in this prospectus and the applicable prospectus supplement or supplements. We have not authorized any person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. You should not assume that the information contained or incorporated in this prospectus is accurate as of any time after the date of this prospectus, or, if later, the date of an incorporated document, because our business, financial condition, results of operations and prospects may have changed since such dates.

We are not making an offer to sell these securities in any jurisdiction that prohibits the offer or sale of these securities.

In this prospectus references to DTE Energy, the Company, we, us and our refer to DTE Energy Company, unle context indicates that the references are to DTE Energy Company and its consolidated subsidiaries.

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that DTE Energy filed with the Securities and Exchange Commission (SEC) utilizing a shelf registration process. Under this shelf registration process, DTE Energy may sell any combination of the securities described in this prospectus in one or more offerings.

This prospectus provides you with a general description of the securities DTE Energy may offer. Each time DTE Energy sells securities, DTE Energy will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. You should read this prospectus and any prospectus supplement together with the additional information described below under the heading Where You Can Find More Information.

For more detailed information about the securities, you can read the exhibits to the registration statement. Those exhibits have been either filed with the registration statement or incorporated by reference to earlier SEC filings listed in the registration statement.

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RISK FACTORS

An investment in the securities involves risks. You should carefully consider the Risk Factors set forth in our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, together with the other information in this prospectus, any applicable prospectus supplement, and the documents that are incorporated by reference in this prospectus, about risks concerning the securities, before buying any securities. See also Cautionary Statements Regarding Forward-Looking Statements below.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference in this prospectus contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 (the Securities Act) and Section 21E of the Securities Exchange Act of 1934 (the Exchange Act), with respect to the financial condition, results of operations and business of DTE Energy. You can find many of these statements by looking for words such as anticipate, believe, expect, projected, aspiration, and goals or similar expressions in this prospectus or in documents incorporated herein that signify forward-looking statements. Forward-looking statements are not guarantees of future results and conditions, but rather are subject to numerous assumptions, risks, and uncertainties that may cause actual future results to be materially different from those contemplated, projected, estimated, or budgeted. Many factors may impact forward-looking statements including, but not limited to, the following:

- impact of regulation by the Environmental Protection Agency, the Federal Energy Regulatory Commission, the Michigan Public Service Commission, the Nuclear Regulatory Commission, and the Commodity Futures Trading Commission, as well as other applicable governmental proceedings and regulations, including any associated impact on rate structures;

- the amount and timing of cost recovery allowed as a result of regulatory proceedings, related appeals, or new legislation, including legislative amendments and retail access programs;

- economic conditions and population changes in our geographic area resulting in changes in demand, customer conservation, and thefts of electricity and natural gas;

- environmental issues, laws, regulations, and the increasing costs of remediation and compliance, including actual and potential new federal and state requirements;

- health, safety, financial, environmental, and regulatory risks associated with ownership and operation of nuclear facilities;

- changes in the cost and availability of coal and other raw materials, purchased power, and natural gas;

- volatility in the short-term natural gas storage markets impacting third-party storage revenues;

impact of volatility of prices in the oil and gas markets on gas storage and pipelines operations;

impact of volatility in prices in the international steel markets on power and industrial projects operations;

volatility in commodity markets, deviations in weather, and related risks impacting the results of energy trading operations;

changes in the financial condition of our significant customers and strategic partners;

the potential for losses on investments, including nuclear decommissioning and benefit plan assets and the related increases in future expense and contributions;

access to capital markets and the results of other financing efforts which can be affected by credit agency ratings;

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instability in capital markets which could impact availability of short and long-term financing;

the timing and extent of changes in interest rates;

the level of borrowings;

the potential for increased costs or delays in completion of significant capital projects;

changes in, and application of, federal, state, and local tax laws and their interpretations, including the Internal Revenue Code, regulations, rulings, court proceedings, and audits;

the effects of weather and other natural phenomena on operations and sales to customers, and purchases from suppliers;

unplanned outages;

the cost of protecting assets against, or damage due to, terrorism or cyber attacks;

employee relations and the impact of collective bargaining agreements;

the risk of a major safety incident at an electric distribution or generation facility or a gas storage, transmission, or distribution facility;

the availability, cost, coverage, and terms of insurance and stability of insurance providers;

cost reduction efforts and the maximization of plant and distribution system performance;

the effects of competition;

changes in and application of accounting standards and financial reporting regulations;

changes in federal or state laws and their interpretation with respect to regulation, energy policy, and other business issues;

contract disputes, binding arbitration, litigation, and related appeals; and

the risks discussed in our public filings with the SEC.

You are cautioned not to place undue reliance on such statements, which speak only as of the date of this prospectus or the date of any document incorporated by reference. We undertake no obligation to release publicly any revisions to such forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events, except as otherwise required by applicable law.

The factors discussed above and other factors are discussed more completely in our public filings with the SEC, including our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.

DTE ENERGY COMPANY

DTE Energy Company is a Michigan corporation engaged in utility operations through its wholly owned subsidiaries, DTE Electric Company (DTE Electric) and DTE Gas Company (DTE Gas). We also have non-utility operations that are engaged in a variety of energy-related businesses.

DTE Electric is a public utility engaged in the generation, purchase, distribution, and sale of electricity to approximately 2.2 million customers in southeastern Michigan.

DTE Gas is a public utility engaged in the purchase, storage, transportation, distribution, and sale of natural gas to approximately 1.2 million customers throughout Michigan and the sale of storage and transportation capacity.

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Our non-utility operations consist primarily of Gas Storage and Pipeline, which is involved in the development and operation of natural gas pipelines, gathering and storage; Power and Industrial Projects, which is comprised primarily of projects that deliver energy and utility-type products and services to industrial, commercial, and institutional customers, produce reduced emissions fuel, and sell electricity from renewable energy projects; and Energy Trading, which engages in energy marketing and trading operations.

USE OF PROCEEDS

Except as we may otherwise state in an accompanying prospectus supplement, DTE Energy expects to use the net proceeds from the sale of its securities for general corporate purposes, which may include, among other things:

financing, development and construction of new facilities;

additions to working capital; and

repurchase or refinancing of securities.

The precise amount and timing of the application of such proceeds will depend upon our funding requirements, market conditions and the availability and cost of other funds. Pending the application of proceeds, we may also invest the funds temporarily in short-term investment grade securities.

RATIOS OF EARNINGS TO FIXED CHARGES

DTE Energy s ratios of earnings to fixed charges were as follows for the periods indicated in the table below:

	Six Months Ended	Year Ended December 31,				
	June 30, 2016	2015	2014	2013	2012	2011
Ratio of earnings to fixed charges	3.22	3.00	3.78	2.94	3.23	2.91

Our ratios of earnings to fixed charges were computed based on:

earnings, which consist of net income before deducting income taxes and fixed charges, except capitalized interest; and

fixed charges, which consist of interest charges, including capitalized interest, amortization of debt discount, premium and expense, and the estimated interest component of rental expense.

THE SECURITIES THAT WE MAY OFFER

The descriptions of the securities contained in this prospectus, together with the applicable prospectus supplements, summarize certain terms and provisions of the various types of securities that DTE Energy may offer. The particular terms of the securities offered by any prospectus supplement will be described in that prospectus supplement. If

indicated in the applicable prospectus supplement, the terms of the securities may differ from the terms summarized below. The prospectus supplement will also contain information, where applicable, about material U.S. federal income tax considerations relating to the securities, and any securities exchange on which the securities may be listed.

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We may sell from time to time, in one or more offerings:

- common stock;
- senior debt securities and/or subordinated debt securities, including debt securities convertible into common stock of DTE Energy or exchangeable for other securities;
- stock purchase contracts; and
- stock purchase units.

In this prospectus, we refer to the common stock, senior debt securities, subordinated debt securities, stock purchase contracts and stock purchase units together as securities. We refer to the senior debt securities and the subordinated debt securities together as the debt securities.

DESCRIPTION OF CAPITAL STOCK

Authorized Capital Stock

The authorized capital stock of DTE Energy currently consists of 400,000,000 shares of DTE Energy common stock, without par value, and 5,000,000 shares of preferred stock, without par value. As of June 30, 2016, there were 179,435,004 shares of DTE Energy common stock issued and outstanding. All outstanding shares of common stock are, and the common stock offered hereby when issued and paid for will be, duly authorized, validly issued, fully paid and nonassessable. As of June 30, 2016, there were no shares of preferred stock issued and outstanding.

Under the DTE Energy amended and restated articles of incorporation, which we refer to as the articles of incorporation, our board of directors may cause the issuance of one or more new series of the authorized shares of preferred stock, determine the number of shares constituting any such new series and fix the voting, distribution, dividend, liquidation and all other rights and limitations of the preferred stock. These rights may be superior to those of the DTE Energy common stock. To the extent any shares of DTE Energy s preferred stock have voting rights, no share of preferred stock may be entitled to more than one vote per share.

Common Stock

The following description of our common stock, together with the additional information included in any applicable prospectus supplement, summarizes the material terms and provisions of this type of security. If indicated in a prospectus supplement, the terms of any common stock offered under that prospectus supplement may differ from the terms described below. For the complete terms of our common stock, please refer to our articles of incorporation and bylaws that are incorporated by reference into the registration statement that includes this prospectus or may be incorporated by reference in this prospectus. The terms of our common stock may also be affected by the laws of the State of Michigan.

Dividends

Holders of common stock are entitled to participate equally in respect to dividends as, when and if dividends are declared by our board of directors out of funds legally available for their payment. However, this dividend right is subject to any preferential dividend rights we may grant to future holders of preferred stock and to the prior rights of DTE Energy s debt holders and other creditors. As a Michigan corporation, we are subject to statutory limitations on the declaration and payment of dividends. Dividends on DTE Energy common stock will depend primarily on the earnings and financial condition of DTE Energy. DTE Energy is a holding company and its assets consist primarily of its investment in its operating subsidiaries. Thus, as a practical matter, dividends on common stock of DTE Energy will depend in the foreseeable future primarily upon the earnings, financial condition and capital requirements of DTE Electric, DTE Gas and our other subsidiaries, and the distribution of such earnings to DTE Energy in the form of dividends. The subsidiaries are separate and distinct legal entities and have no obligation to make payments with respect to any of DTE Energy s securities, or to pay dividends to

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or make funds available to DTE Energy so that DTE Energy can make payments on its securities, including its common stock. In addition, existing or future covenants limiting the right of DTE Electric, DTE Gas or our other subsidiaries to pay dividends on or make other distributions with respect to their common stock may affect DTE Energy s ability to pay dividends on our common stock. See Description of Debt Securities Ranking.

Voting

Subject to any special voting rights that may vest in the holders of preferred stock, the holders of DTE Energy common stock are entitled to vote as a class and are entitled to one vote per share for each share held of record on all matters voted on by shareholders. All questions are decided by a majority of the votes cast by the holders of shares entitled to vote on that question, unless a greater or different vote is required by the articles of incorporation or Michigan law. However, if the number of director nominees for any director election exceeds the number of directors to be elected, the nominees receiving a plurality of the votes cast by holders of the shares entitled to vote at any meeting for the election of directors at which a quorum is present will be elected.

We are subject to Chapter 7A of the Michigan Business Corporation Act, which we refer to as the Corporation Act, which provides that business combinations subject to Chapter 7A between a Michigan corporation and a beneficial owner of shares entitled to 10% or more of the voting power of such corporation generally require the affirmative vote of 90% of the votes of each class of stock entitled to vote, and not less than 2/3 of each class of stock entitled to vote (excluding voting shares owned by such 10% owner), voting as a separate class. These requirements do not apply if (1) the corporation s board of directors approves the transaction prior to the time the 10% owner becomes such or (2) the transaction satisfies certain fairness standards, certain other conditions are met and the 10% owner has been such for at least five years.

Board of Directors

The number of directors is fixed by the board of directors from time to time. DTE Energy currently has 12 directors. Directors are elected annually for terms which expire upon election of their successor at the next year s annual shareholder meeting.

Amendments to DTE Energy s Articles of Incorporation

Under Michigan law, our articles of incorporation may be amended by the affirmative vote of the holders of a majority of the outstanding shares entitled to vote on the proposed amendment (which would include the common stock and any series of preferred stock which, by its terms or applicable law, was so entitled to vote), and, if any class or series of shares is entitled to vote as a class, then the proposed amendment must be approved by the required vote of each class or series of shares entitled to vote as a class.

Liquidation Rights

In the event of a liquidation, dissolution or winding-up of DTE Energy, holders of our common stock have the right to share in DTE Energy s assets remaining after satisfaction in full of the prior rights of creditors, and all liabilities and the aggregate liquidation preferences of any outstanding shares of DTE Energy preferred stock.

Preemptive Rights

The holders of DTE Energy common stock have no conversion or redemption rights, or any rights to subscribe for or purchase other stock of DTE Energy.

Listing

Our common stock is listed on the New York Stock Exchange under the symbol DTE.

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Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Wells Fargo Shareowner Services, P.O. Box 64874, St. Paul, MN 55164-0854.

Advance Notice Requirements; Possible Anti-Takeover Effects

Certain provisions of our articles of incorporation and bylaws may have the effect of discouraging unilateral tender offers or other attempts to take over and acquire the business of DTE Energy. Our bylaws provide that shareholders seeking to nominate candidates for election as directors or to bring business before an annual meeting of shareholders or a shareholder requested special meeting of shareholders must deliver timely notice of their proposal in writing to our principal executive offices. Our bylaws also specify requirements as to the form and content of a shareholder s notice. These provisions may impede shareholders ability to bring matters before an annual meeting of shareholders, a shareholder requested special meeting of shareholders or make nominations for directors. These provisions may limit the ability of individuals to bring matters before shareholder meetings, change the composition of the board of directors and pursue a merger, takeover, business combination or tender offer involving DTE Energy, which, under certain circumstances, could encourage a potentially interested purchaser to negotiate with the board of directors rather than pursue a non-negotiated takeover attempt, including one that shareholders might favor, and could reduce the market value of our common stock.

DESCRIPTION OF DEBT SECURITIES

The following description, together with any applicable prospectus supplement, summarizes certain material terms and provisions of the debt securities we may offer under this prospectus and the related indenture. We will issue the debt securities under an amended and restated indenture, dated as of April 9, 2001, as supplemented or amended from time to time, which we refer to as the indenture, between DTE Energy and The Bank of New York Mellon Trust Company, N.A., as successor trustee. We refer to The Bank of New York Mellon Trust Company, N.A., or any successor or additional trustee, in its capacity as trustee under the indenture, as the trustee for purposes of this section. The indenture may, but need not, have separate trustees for senior and subordinated debt securities.

This summary of the indenture and the debt securities relates to terms and conditions applicable to the debt securities generally. The particular terms of any series of debt securities will be summarized in the applicable prospectus supplement. If indicated in the prospectus supplement, the terms of any series may differ from the terms summarized below.

Because the descriptions of provisions of the indenture below are summaries, they do not describe every aspect of the indenture. The summaries below are subject to, and are qualified in their entirety by reference to, all provisions of the indenture, including the definitions therein of certain terms. We have filed a copy of the indenture as an exhibit to the registration statement of which this prospectus is a part. We encourage you to read the indenture for provisions that may be important to you. Wherever we refer to particular articles, sections or defined terms of the indenture, those articles, sections or defined terms are incorporated herein by reference, and the statement in connection with which such reference is made is qualified in its entirety by such reference. The indenture contains, and the debt securities, when issued, will contain, additional important terms and provisions. We will describe the particular terms of the debt securities offered by any prospectus supplement and the extent, if any, to which such general provisions may apply to the debt securities so offered in the prospectus supplement relating to those debt securities.

The indenture does not limit the amount of debt securities we may issue under it, and it provides that additional debt securities of any series may be issued up to the aggregate principal amount that we may authorize from time to time.

As of June 30, 2016, approximately $2.4 billion aggregate principal amount of debt securities were issued and outstanding under the indenture.

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Principal and any premium and interest in respect to the debt securities will be payable, and the debt securities will be transferable, at the corporate trust office of the trustee, unless we specify otherwise in the applicable prospectus supplement. At our option, however, payment of interest may be made by check mailed to the registered holders of the debt securities at their registered addresses.

We will describe material U.S. federal income tax and other considerations relating to debt securities denominated in foreign currencies or units of two or more foreign currencies in the applicable prospectus supplement.

Unless we otherwise specify in this prospectus or in the applicable prospectus supplement, we will issue debt securities in the form of global securities, deposited with and registered in the name of The Depository Trust Company, as depositary, which we refer to as DTC, or its nominee. Interests in the debt securities will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its participants. See Book-Entry Securities.

General

The prospectus supplement that accompanies this prospectus relating to the debt securities being offered will include specific terms relating to the offered debt securities. These terms may include some or all of the following:

the title or designation of the debt securities;

the aggregate principal amount of the debt securities;

whether the debt securities are to represent senior or subordinated indebtedness and, if subordinated debt securities, the specific subordination provisions applicable thereto;

in the case of subordinated debt securities, the relative degree, if any, to which such subordinated debt securities of the series will be senior to or be subordinated to other series of subordinated debt securities or other indebtedness of DTE Energy in right of payment, whether such other series of subordinated debt securities or other indebtedness is outstanding or not;

whether the debt securities will be issued as registered securities, bearer securities or a combination of the two;

the person to whom any interest on any registered security shall be payable, if other than the person in whose name that security is registered at the close of business on the record date, the manner in which, or the person to whom, any interest on any bearer security shall be payable, if other than upon presentation and surrender of coupons, and the extent to which, or the manner in which, any interest payable on a temporary global security will be paid if other than in the manner provided in the indenture;

whether the debt securities will be issued in the form of one or more global securities;

the date or dates on which the principal of (and premium, if any, on) the debt securities will be payable or the method or methods, if any, by which such date or dates will be determined;

the rate or rates, at which the debt securities will bear any interest or the method or methods, if any, by which such rate or rates will be determined;

the date or dates from which any interest will accrue or the method or methods, if any, by which such date or dates will be determined and the date or dates on which such interest will be payable;

whether and under what circumstances we will pay additional amounts, as defined in the indenture, on the debt securities to any holder who is a United States alien, as defined in the indenture, in respect of certain taxes, assessments or governmental charges, and, if so, whether we will have the

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option to redeem the debt securities rather than pay the additional amounts; the term interest, as used in this prospectus, includes any additional amounts;

the place or places where the principal of (and premium, if any) and interest on the debt securities will be payable, and where any registered securities may be surrendered for registration of transfer or exchange;

a description of any provisions providing for redemption or repurchase of the debt securities, in whole or in part, at our option, a holder s option or otherwise, and the terms and provisions of such a redemption or repurchase;

any sinking fund or other mandatory redemption or similar terms;

whether the debt securities will be convertible into shares of common stock of DTE Energy and/or exchangeable for other securities, whether or not issued by DTE Energy, property or cash, or a combination of any of the foregoing, and, if so, the terms and conditions of such conversion or exchange, either mandatory, at the option of the holder, or at the option of DTE Energy, and any deletions from or modifications or additions to the indenture to allow the issuance of such convertible or exchangeable debt securities;

the authorized denominations of the debt securities, if other than denominations of $1,000 and any integral multiple thereof (in the case of registered securities) or $5,000 (in the case of bearer securities);

if other than the principal amount thereof, the portion of the principal amount of the debt securities or any of them that shall be payable upon declaration of acceleration of the maturity in accordance with the indenture upon an event of default or the method by which such portion is to be determined;

if other than U.S. dollars, the currency or currencies or currency unit or units of two or more currencies in which debt securities are denominated, for which they may be purchased, and in which principal and any premium and interest is payable;

if the currency or currencies or currency unit or units for which debt securities may be purchased or in which principal and any premium and interest may be paid is at our election or at the election of a purchaser, the manner in which an election may be made and its terms;

any index or other method used to determine the amount of payments of principal of, and any premium and interest on, the debt securities;

if either or both of the sections of the indenture relating to defeasance and covenant defeasance are applicable to the debt securities, or if any covenants in addition to or other than those specified in the indenture shall be subject to covenant defeasance;

any deletions from, or modifications or additions to, the provisions of the indenture relating to satisfaction and discharge in respect of the debt securities;

if there is more than one trustee, the identity of the trustee and, if not the trustee, the identity of each security registrar, paying agent and/or authenticating agent with respect to the debt securities;

whether the debt securities shall be issued as original issue discount securities;

whether a credit facility or other form of credit support will apply to the debt securities;

any deletions from, modifications of or additions to the events of default or covenants with respect to the debt securities whether or not such events of default or covenants are consistent with the events of default or covenants in the indenture, and whether the limitations on secured debt under the indenture will be applicable; and

any other specific terms of the debt securities.

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We are not obligated to issue all debt securities of any one series at the same time and all the debt securities of any one series need not bear interest at the same rate or mature on the same date.

Under the indenture, the terms of the debt securities of any series may differ and we, without the consent of the holders of the debt securities of any series, may reopen a previous series of debt securities and issue additional debt securities of such series or establish additional terms of such series.

Other than as described below under Covenants with respect to any applicable series of debt securities and as may be described in the applicable prospectus supplement, the indenture does not limit our ability to incur indebtedness or afford holders of debt securities protection in the event of a decline in our credit quality or if we are involved in a takeover, recapitalization or highly leveraged or similar transaction. Accordingly, we could in the future enter into transactions that could increase the amount of indebtedness outstanding at that time or otherwise affect our capital structure or credit rating. You should refer to the prospectus supplement relating to a particular series of debt securities for information regarding the applicability of the covenant described below under Covenants Limitation on Secured Debt or any deletions from, modifications of or additions to the events of default described below or covenants contained in the indenture, including any addition of a covenant or other provisions providing event risk or similar protection.

Ranking

Because DTE Energy is a holding company that conducts substantially all of its operations through subsidiaries, holders of debt securities and guarantees of DTE Energy will generally have a junior position to claims of creditors of those subsidiaries, including trade creditors, debtholders, secured creditors, taxing authorities, guarantee holders and preferred shareholders, if any. Our subsidiaries, principally DTE Electric and DTE Gas, from time to time incur debt to finance their business activities. Substantially all of the physical properties of DTE Electric and DTE Gas are subject to the liens of their respective mortgage indentures as security for the payment of outstanding mortgage bonds.

Our assets consist primarily of investment in subsidiaries. Our ability to service indebtedness, including any debt securities and guarantees, depends on the earnings of our subsidiaries and the distribution or other payment from subsidiaries of earnings to us in the form of dividends, loans or advances, and repayment of loans and advances from us. The subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts due under the debt securities or to make payments to us in order for us to pay our obligations under the debt securities. In addition, existing and future contractual and other legal requirements may limit the ability of our subsidiaries to pay dividends to us.

Senior Debt Securities

Unless otherwise indicated in the applicable prospectus supplement, DTE Energy s obligation to pay the principal of, and any premium and interest on, the senior debt securities will be unsecured and will rank equally with all of our other unsecured unsubordinated indebtedness.

Subordinated Debt Securities

DTE Energy s obligation to pay the principal of, and any premium and interest on, any series of subordinated debt securities will be unsecured and will rank subordinate and junior in right of payment to all Senior Indebtedness (as defined below) to the extent provided in the supplemental indenture relating to the series and the terms of those subordinated debt securities, as described below and in any applicable prospectus supplement, which may make deletions from, or modifications or additions to, the subordination terms described below.

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Upon any payment or distribution of assets or securities of DTE Energy to creditors upon any liquidation, dissolution, winding-up, reorganization, or any bankruptcy, insolvency, receivership or similar proceedings in connection with any insolvency or bankruptcy proceeding of DTE Energy, the holders of Senior Indebtedness will first be entitled to receive payment in full of the Senior Indebtedness before the holders of subordinated debt securities will be entitled to receive any payment or distribution in respect of the subordinated debt securities, and to that end the holders of Senior Indebtedness will be entitled to receive, for application to the payment thereof, any payment or distribution of any kind or character, whether in cash, property or securities, including any such payment or distribution that may be payable or deliverable by reason of the payment of any other Indebtedness of DTE Energy being subordinated to the payment of subordinated debt securities of such series, which may be payable or deliverable in respect of the subordinated debt securities of such series upon any such dissolution, winding-up, liquidation or reorganization or in any such bankruptcy, insolvency, receivership or other proceeding.

By reason of such subordination, in the event of liquidation or insolvency of DTE Energy, holders of Senior Indebtedness with respect to the subordinated debt securities of any series and holders of other obligations of DTE Energy that are not subordinated to such Senior Indebtedness may recover more, ratably, than the holders of the subordinated debt securities of such series.

Subject to the payment in full of all Senior Indebtedness with respect to the subordinated debt securities of any series, the rights of the holders of the subordinated debt securities of such series will be subrogated to the rights of the holders of Senior Indebtedness to receive payments or distributions of cash, property or securities of DTE Energy applicable to such Senior Indebtedness until the principal of, any premium and interest on, and any additional amounts with respect to, the subordinated debt securities of such series have been paid in full.

No payments on account of principal or any premium or interest in respect of the subordinated debt securities may be made if there has occurred and is continuing a default in any payment with respect to Senior Indebtedness or an event of default with respect to any Senior Indebtedness resulting in the acceleration of its maturity, or if any judicial proceeding is pending with respect to any default.

Indebtedness means:

- indebtedness for borrowed money;
- obligations for the deferred purchase price of property or services (other than trade payables not overdue by more than 60 days incurred in the ordinary course of business);
- obligations evidenced by notes, bonds, debentures or other similar instruments;
- obligations created or arising under any conditional sale or other title retention agreement with respect to acquired property;
- obligations as lessee under leases that have been or should be, in accordance with accounting principles generally accepted in the United States, recorded as capital leases;

obligations, contingent or otherwise, in respect of acceptances, letters of credit or similar extensions of credit;

obligations in respect of interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts and other similar agreements;

guarantees of Indebtedness of others, directly or indirectly, or Indebtedness in effect guaranteed directly or indirectly through an agreement (1) to pay or purchase such Indebtedness or to advance or supply funds for the payment or purchase of such Indebtedness, (2) to purchase, sell or lease property, or to purchase or sell services, primarily for the purpose of enabling the debtor to make payment of such Indebtedness or to assure the holder of such Indebtedness against loss, (3) to supply funds to or in any other manner invest in the debtor or (4) otherwise to assure a creditor against loss; and

Indebtedness described above secured by any Lien (as defined below) on property.

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Senior Indebtedness, for purposes of subordinated debt securities of each series, means all Indebtedness, whether outstanding on the date of issuance of subordinated debt securities of the applicable series or thereafter created, assumed or incurred, except Indebtedness ranking equally with the subordinated debt securities or Indebtedness ranking junior to the subordinated debt securities. Senior Indebtedness does not include obligations to trade creditors or indebtedness of DTE Energy to its subsidiaries. Senior Indebtedness with respect to the subordinated debt securities of any particular series will continue to be Senior Indebtedness with respect to the subordinated debt securities of such series and be entitled to the benefits of the subordination provisions irrespective of any amendment, modification or waiver of any term of such Senior Indebtedness.

Indebtedness ranking equally with the subordinated debt securities, for purposes of subordinated debt securities of the applicable series, means Indebtedness, whether outstanding on the date of issuance of the subordinated debt securities or thereafter created, assumed or incurred, to the extent the Indebtedness specifically by its terms ranks equally with and not prior to the subordinated debt securities in the right of payment upon the happening of the dissolution, winding-up, liquidation or reorganization of DTE Energy. The securing of any Indebtedness otherwise constituting Indebtedness ranking equally with the subordinated debt securities will not prevent the Indebtedness from constituting Indebtedness ranking equally with the subordinated debt securities.

Indebtedness ranking junior to the subordinated debt securities, for purposes of subordinated debt securities of the applicable series, means any Indebtedness, whether outstanding on the date of issuance of the subordinated debt securities of the applicable series or thereafter created, assumed or incurred, to the extent the Indebtedness by its terms ranks junior to and not equally with or prior to:

the subordinated debt securities, and

any other Indebtedness ranking equally with the subordinated debt securities,

in right of payment upon the happening of the dissolution, winding-up, liquidation or reorganization of DTE Energy. The securing of any Indebtedness otherwise constituting Indebtedness ranking junior to the subordinated debt securities will not prevent the Indebtedness from constituting Indebtedness ranking junior to the subordinated debt securities.

Covenants

The indenture contains covenants for the benefit of holders of debt securities of each series. The following covenant will apply to a series of debt securities only to the extent specified in the applicable prospectus supplement.

Limitation on Secured Debt

If this covenant is made applicable to the debt securities of any particular series, we have agreed that we will not create, issue, incur or assume any Secured Debt (as defined below) without the consent of the holders of a majority in principal amount of the outstanding debt securities of all series with respect to which this covenant is made, considered as one class; provided, however, that the foregoing covenant will not prohibit the creation, issuance, incurrence or assumption of any Secured Debt if we either:

secure all debt securities then outstanding with respect to which this covenant is made equally and ratably with the Secured Debt; or

deliver to the trustee bonds, notes or other evidences of indebtedness secured by the Lien (as defined below) which secures the Secured Debt in an aggregate principal amount equal to the aggregate principal amount of the debt securities then outstanding with respect to which this covenant is made and meeting certain other requirements in the indenture.

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Debt means:

- indebtedness for borrowed money evidenced by a bond, debenture, note or other written instrument or agreement by which we are obligated to repay such borrowed money; and
- any guaranty by DTE Energy of any such indebtedness of another person.

Lien means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including, without limitation, any conditional sale or other title retention agreement or lease in the nature thereof or any agreement to give any security interest).

Secured Debt means Debt created, issued, incurred or assumed by DTE Energy that is secured by a Lien upon any shares of stock of any Significant Subsidiary, as defined in Regulation S-X of the rules and regulations under the Securities Act, whether owned at the date of the initial authentication and delivery of the debt securities of any series or thereafter acquired.

Consolidation, Merger and Sale of Assets

DTE Energy may, without the consent of the holders of the debt securities, consolidate or merge with or into, or convey, transfer or lease our properties and assets as an entirety or substantially as an entirety to, any person or permit any person to consolidate with or merge into us or convey, transfer or lease its properties and assets substantially as an entirety to us, as long as:

- if DTE Energy merges into or consolidates with, or transfers its properties and assets as an entirety (or substantially as an entirety) to any person, such person is a corporation, partnership or trust, organized and validly existing under the laws of the United States of America, any state thereof or the District of Columbia;
- any successor person (if not DTE Energy) assumes by supplemental indenture, the due and punctual payment of the principal of, any premium and interest on and any additional amounts with respect to all the debt securities issued thereunder, and the performance of our obligations under the indenture and the debt securities issued thereunder, and provides for conversion or exchange rights in accordance with the provisions of the debt securities of any series that are convertible or exchangeable into common stock or other securities;
- no event of default under the indenture has occurred and is continuing after giving effect to the transaction;
- no event which, after notice or lapse of time or both, would become an event of default under the indenture has occurred and is continuing after giving effect to the transaction; and
- certain other conditions are met.

Upon any merger or consolidation described above or conveyance or transfer of the properties and assets of DTE Energy as or substantially as an entirety as described above, the successor person will succeed to DTE Energy s obligations under the indenture and, except in the case of a lease, the predecessor person will be relieved of such obligations.

The indenture does not prevent or restrict any conveyance or other transfer, or lease, of any part of the properties of DTE Energy which does not constitute the entirety, or substantially the entirety, thereof.

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Events of Default

Unless otherwise specified in the applicable prospectus supplement, an event of default with respect to any series of debt securities will be any of the following events:

(1) failure to pay interest on the debt securities of that series, or any additional amounts payable with respect thereto, for 30 days after payment is due;

(2) failure to pay principal or any premium on the debt securities of that series, or any additional amounts payable with respect thereto, when due;

(3) failure to pay any sinking fund installment or analogous payment when due;

(4) failure to perform, or breach of, any other covenant or warranty or obligation of DTE Energy in the indenture for 60 days after we are given written notice by the trustee or we and the trustee are given written notice by the registered owners of at least 25% in principal amount of the debt securities of that series;

(5) default occurs under any bond, note, debenture or other instrument evidencing any indebtedness for money borrowed by DTE Energy (including a default with respect to any other series of debt securities issued under the indenture), or under any mortgage, indenture or other instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by DTE Energy (or the payment of which is guaranteed by DTE Energy), whether such indebtedness or guarantee exists on the date of the indenture or is issued or entered into following the date of the indenture, if:

either:

such default results from failure to pay any such indebtedness when due and such defaulted payment has not been made, waived or extended within 30 days of such payment default; or

as a result of such default the maturity of such indebtedness has been accelerated prior to its expressed maturity and such indebtedness shall not have been discharged in full or such acceleration has not been rescinded or annulled within 30 days of such acceleration; and

the principal amount of such indebtedness, together with the principal amount of any other such indebtedness in default for failure to pay any such indebtedness when due or the maturity of which has been so accelerated, aggregates to at least $40 million;

(6) certain events of bankruptcy, insolvency, reorganization, receivership or liquidation relating to DTE Energy; or

(7) any other event of default provided with respect to debt securities of that series.

If an event of default with respect to the debt securities of any series occurs and is continuing, either the trustee or the holders of at least 25% in aggregate principal amount of the outstanding debt securities of that series may declare the principal amount of the debt securities of that series to be due and payable immediately. At any time after a

declaration of acceleration has been made, but before a judgment or decree for payment of money has been obtained by the trustee, and subject to applicable law and certain other provisions of the indenture, the holders of a majority in aggregate principal amount of the debt securities of that series may, under certain circumstances, rescind and annul the acceleration. If an event of default occurs pertaining to certain events of bankruptcy, insolvency or reorganization specified in the indenture as described in paragraph (6) above, the principal amount and accrued and unpaid interest and any additional amounts payable in respect of the debt securities of that series, or a lesser amount as provided for in the debt securities of that series, will be immediately due and payable without any declaration or other act by the trustee or any holder.

The indenture provides that within 90 days after the occurrence of any default under the indenture with respect to the debt securities of any series, the trustee must transmit to the holders of the debt securities of such series, in the manner set forth in the indenture, notice of the default known to the trustee, unless the default has been cured or waived. However, except in the case of a default in the payment of the principal of (or premium, if

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any) or interest or any additional amounts or in the payment of any sinking fund installment with respect to, any debt security of such series, the trustee may withhold such notice if and so long as the board of directors, the executive committee or a trust committee of directors or responsible officers of the trustee has in good faith determined that the withholding of such notice is in the interest of the holders of debt securities of such series. In addition, in the case of any event of default described in paragraph (4) above, no such notice to holders will be given until at least 30 days after the occurrence of the event of default.

If an event of default occurs and is continuing with respect to the debt securities of any series, the trustee may in its discretion proceed to protect and enforce its rights and the rights of the holders of debt securities of such series by all appropriate judicial proceedings.

The indenture further provides that, subject to the duty of the trustee during any default to act with the required standard of care, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request or direction of any of the holders of debt securities, unless that requesting holder has offered to the trustee reasonable indemnity. Subject to such provisions for the indemnification of the trustee, and subject to applicable law and certain other provisions of the indenture, the holders of a majority in aggregate principal amount of the outstanding debt securities of a series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee, with respect to the debt securities of such series.

The indenture provides that no holder of any debt security of a series will have any right to institute any proceeding with respect to the indenture for the appointment of a receiver or for any other remedy thereunder unless:

- that holder has previously given the trustee written notice of a continuing event of default;
- the holders of 25% in aggregate principal amount of the outstanding debt securities of that series have made written request to the trustee to institute proceedings in respect of that event of default and have offered the trustee reasonable indemnity against costs and liabilities incurred in complying with such request; and
- for 60 days after receipt of such notice, the trustee has failed to institute any such proceeding and no direction inconsistent with such request has been given to the trustee during such 60-day period by the holders of a majority in aggregate principal amount of outstanding debt securities of that series.

Furthermore, no holder will be entitled to institute any such action if and to the extent that such action would disturb or prejudice the rights of other holders.

However, each holder has an absolute and unconditional right to receive payment when due and to bring a suit to enforce that right.

Under the indenture, we are required to furnish to the trustee annually a statement as to our performance of certain of our obligations under the indenture and as to any default in such performance. We are also required to deliver to the trustee, within five days after occurrence thereof, written notice of any event that after notice or lapse of time or both would constitute an event of default.

Interest Rates and Discounts

The debt securities will earn interest at a fixed or floating rate or rates for the period or periods of time specified in the applicable prospectus supplement. Unless otherwise specified in the applicable prospectus supplement, the debt securities will bear interest on the basis of a 360-day year consisting of twelve 30-day months.

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We may sell debt securities at a substantial discount below their stated principal amount, bearing no interest or interest at a rate that at the time of issuance is below market rates. Material U.S. federal income tax consequences and special considerations that apply to any series will be described in the applicable prospectus supplement.

Exchange, Registration and Transfer

Registered securities of any series that are not global securities will be exchangeable for other registered securities of the same series and of like aggregate principal amount and tenor in different authorized denominations. In addition, if debt securities of any series are issuable as both registered securities and bearer securities, the holder may choose, upon written request, and subject to the terms of the indenture, to exchange bearer securities and the appropriate related coupons of that series into registered securities of the same series of any authorized denominations and of like aggregate principal amount and tenor. Bearer securities with attached coupons surrendered in exchange for registered securities between a regular record date or a special record date and the relevant date for interest payment shall be surrendered without the coupon relating to the interest payment date. Interest will not be payable with respect to the registered security issued in exchange for that bearer security. That interest will be payable only to the holder of the coupon when due in accordance with the terms of the indenture. Bearer securities will not be issued in exchange for registered securities.

Holders may present registered securities for registration of transfer, together with a duly executed form of transfer, at the office of the security registrar or at the office of any transfer agent designated by us for that purpose with respect to any series of debt securities and referred to in the applicable prospectus supplement. This may be done without service charge but upon payment of any taxes and other governmental charges as described in the indenture. The security registrar or the transfer agent will effect the transfer or exchange upon being satisfied with the documents of title and identity of the person making the request. We have appointed the trustee as security registrar for the indenture. If a prospectus supplement refers to any transfer agents initially designated by us with respect to any series of debt securities in addition to the security registrar, we may at any time rescind the designation of any of those transfer agents or approve a change in the location through which any of those transfer agents acts. However, if debt securities of a series are issuable solely as registered securities, we will be required to maintain a transfer agent in each place of payment for that series, and if debt securities of a series are issuable as bearer securities, we will be required to maintain a transfer agent in a place of payment for that series located outside the United States in addition to the security registrar. We may at any time designate additional transfer agents with respect to any series of debt securities.

In the event of any redemption, we will not be required to:

- issue, register the transfer of or exchange debt securities of any series during a period beginning at the opening of business 15 days before any selection of debt securities of that series to be redeemed and ending at the close of business on:
  - the day of the mailing of the relevant notice of redemption if the debt securities are issuable only as registered securities; or
  - the day of the first publication of the notice of redemption if the debt securities are issuable as bearer securities, or, if the debt securities are also issuable as registered securities and there is no publication, the mailing of the notice of redemption;

register the transfer of or exchange any registered security, or portion thereof, selected for redemption, except the unredeemed portion of any registered security being redeemed in part;

exchange any bearer security so selected for redemption, except to exchange such bearer security for a registered security of that series and like tenor that is simultaneously surrendered for redemption; or

issue, register the transfer of or exchange any debt security that has been surrendered for repayment at the option of the holder, except the portion, if any, of such debt security not to be so repaid.

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Payment and Paying Agents

Unless we specify otherwise in the applicable prospectus supplement, payment of principal of, and any premium and interest on, bearer securities will be payable in accordance with any applicable laws and regulations, at the offices of those paying agents outside the United States that we may designate at various times. We will make interest payments on bearer securities and the attached coupons on any interest payment date only against surrender of the coupon relating to that interest payment date. No payment with respect to any bearer security will be made at any of our offices or agencies in the United States by check mailed to any U.S. address or by transfer to an account maintained with a bank located in the United States. If, however, but only if, payment in U.S. dollars of the full amount of principal of, and any premium and interest on, bearer securities denominated and payable in U.S. dollars at all offices or agencies outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions, then those payments will be made at the office of our paying agent in the Borough of Manhattan, The City of New York.

Unless we specify otherwise in the applicable prospectus supplement, payment of principal of, and any premium and interest on, registered securities will be made at the office of the paying agent or paying agents that we designate at various times. However, at our option, we may make interest payments by check mailed to the address, as it appears in the security register, of the person entitled to the payments. Unless we specify otherwise in the applicable prospectus supplement, we will make payment of any installment of interest on registered securities to the person in whose name that registered security is registered at the close of business on the regular record date for such interest.

Unless we specify otherwise in the applicable prospectus supplement, the corporate trust office of the trustee in the Borough of Manhattan, The City of New York, will be designated:

- as our sole paying agent for payments with respect to debt securities that are issuable solely as registered securities; and

- as our paying agent in the Borough of Manhattan, The City of New York, for payments with respect to debt securities, subject to the limitation described above in the case of bearer securities, that are issuable solely as bearer securities or as both registered securities and bearer securities.

We will name any paying agents outside the United States and any other paying agents in the United States initially designated by us for the debt securities in the applicable prospectus supplement. We may at any time designate additional paying agents or rescind the designation of any paying agent or approve a change in the office through which any paying agent acts. However, if debt securities of a series are issuable solely as registered securities, we will be required to maintain a paying agent in each place of payment for that series. If debt securities of a series are issuable as bearer securities, we will be required to maintain:

- a paying agent in the Borough of Manhattan, The City of New York, for payments with respect to any registered securities of the series and for payments with respect to bearer securities of the series in the circumstance described above, but not otherwise; and

a paying agent in a place of payment located outside the United States where debt securities of that series and any attached coupons may be presented and surrendered for payment.

However, if the debt securities of that series are listed on The International Stock Exchange of the United Kingdom and the Republic of Ireland, the Luxembourg Stock Exchange or any other stock exchange located outside the United States, and if the stock exchange requires it, we will maintain a paying agent in London or Luxembourg or any other required city located outside the United States for those debt securities.

All monies we pay to a paying agent for the payment of principal of, and any premium or interest on, any debt security or coupon that remains unclaimed at the end of two years after becoming due and payable will be repaid to us. After that time, the holder of the debt security or coupon may look only to us for payments out of those repaid amounts.

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Global Securities

The debt securities of a series may be issued in whole or in part in the form of one or more global certificates that we will deposit with a depository identified in the applicable prospectus supplement. Global securities may be issued in either registered or bearer form and in either temporary or permanent form. Unless and until it is exchanged in whole or in part for the individual debt securities it represents, a global security may not be transferred except as a whole:

by the applicable depository to a nominee of the depository;

by any nominee to the depository itself or another nominee; or

by the depository or any nominee to a successor depository or any nominee of the successor.

To the extent not described below and under the heading Book-Entry Securities, we will describe the terms of the depository arrangement with respect to a series of debt securities in the applicable prospectus supplement. We anticipate that the following provisions will generally apply to depository arrangements.

As long as the depository for a global security, or its nominee, is the registered owner of that global security, the depository or nominee will be considered the sole owner or holder of the debt securities represented by the global security for all purposes under the indenture. Except as provided under Book-Entry Securities or in any applicable prospectus supplement, owners of beneficial interests in a global security:

will not be entitled to have any of the underlying debt securities registered in their names;

will not receive or be entitled to receive physical delivery of any of the underlying debt securities in definitive form;

will not be considered the owners or holders under the indenture relating to those debt securities; and

will not be able to transfer or exchange the global debt securities, except in the limited circumstances as described in this prospectus or any supplement.

The laws of some states require that certain purchasers of securities take physical delivery of securities in definitive form. These laws may impair the owner s ability to transfer beneficial interests in a global security.

Payments of principal of, and any premium and interest on, individual debt securities represented by a global security registered in the name of a depository or its nominee will be made to the depository or its nominee as the registered owner of the global security representing such debt securities. Neither we, the trustee, any paying agent nor the registrar for the debt securities will be responsible for any aspect of the records relating to or payments made by the depository or any participants on account of beneficial interests of the global security.

For a description of the depository arrangements for global securities held by The Depository Trust Company, see Book-Entry Securities.

Discharge, Defeasance and Covenant Defeasance

We may discharge certain obligations to holders of any series of debt securities that have not already been delivered to the trustee for cancellation and that:

have become due and payable;

will become due and payable within one year; or

are scheduled for redemption within one year.

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To discharge the obligations with respect to a series of debt securities, we must deposit with the trustee, in trust, an amount of funds in U.S. dollars or in the foreign currency in which those debt securities are payable. The deposited amount must be sufficient to pay the entire amount of principal of, and any premium, interest and additional amounts on, those debt securities to the date of the deposit if those debt securities have become due and payable or to the maturity or redemption date of the debt securities, as the case may be; *provided, however,* we have paid all other sums payable under the indenture with respect to the debt securities, and certain other conditions are met.

Unless we specify otherwise in the applicable prospectus supplement, we may elect:

to defease and be discharged from any and all obligations with respect to those debt securities, which we refer to as defeasance ; or

with respect to any debt securities, to be released from certain covenant obligations as described in the related prospectus supplement, as may be provided for under Section 301 of the indenture, which we refer to as covenant defeasance.

In the case of defeasance we will still retain some obligations in respect of the debt securities, including our obligations:

to pay additional amounts, if any, upon the occurrence of certain events of taxation, assessment or governmental charge with respect to payments on the debt securities;

to register the transfer or exchange of the debt securities;

to replace temporary or mutilated, destroyed, lost or stolen debt securities; and

to maintain an office or agency with respect to the debt securities and to hold monies for payment in trust.

After a covenant defeasance, any omission to comply with the obligations or covenants that have been defeased shall not constitute a default or an event of default with respect to the debt securities.

To elect either defeasance or covenant defeasance we must deposit with the trustee, in trust, an amount, in U.S. dollars or in the foreign currency in which the relevant debt securities are payable at stated maturity, or in government obligations, as defined below, or both, applicable to such debt securities. The deposit will provide through the scheduled payment of principal and interest in accordance with their terms, money in an amount sufficient to pay the principal of and any premium and interest on (and, to the extent that (1) the debt securities of such series provide for the payment of additional amounts and (2) we may reasonably determine the amount of any such additional amounts at the time of deposit (in the exercise of our sole discretion), any such additional amounts with respect to) such debt securities, and any mandatory sinking fund or analogous payments thereon, on their scheduled due dates.

In addition, we can only elect defeasance or covenant defeasance if, among other things:

the defeasance or covenant defeasance does not result in a breach or violation of, or constitute a default under, the indenture or any other material agreement or instrument to which we are a party or by which we are bound;

no event of default or event that with notice or lapse of time or both would become an event of default with respect to the debt securities to be defeased will have occurred and be continuing on the date of the deposit of funds with the trustee and, with respect to defeasance only, at any time during the period ending on the 123rd day after the date of the deposit of funds with the trustee; and

we have delivered to the trustee an opinion of counsel to the effect that the holders of the debt securities will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the

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defeasance or covenant defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if the defeasance had not occurred, and the opinion of counsel, in the case of defeasance, must refer to and be based upon a letter ruling of the Internal Revenue Service received by us, a Revenue Ruling published by the Internal Revenue Service or a change in applicable U.S. federal income tax law occurring after the date of the indenture.

The indenture deems a foreign currency to be any currency, currency unit or composite currency including, without limitation, the euro, issued by the government of one or more countries other than the United States or by any recognized confederation or association of governments.

The indenture defines government obligations as securities that are not callable or redeemable at the option of the issuer or issuers and are:

direct obligations of the United States or the government or governments in the confederation that issued the foreign currency in which the debt securities of a particular series are payable, for the payment of which its full faith and credit is pledged; or

obligations of a person or entity controlled or supervised by and acting as an agency or instrumentality of the United States or the government or governments that issued the foreign currency in which the debt securities of a particular series are payable, the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States or that other government or governments.

Government obligations also include a depositary receipt issued by a bank or trust company as custodian with respect to any government obligation described above or a specific payment of interest on or principal of or any other amount with respect to any government obligation held by that custodian for the account of the holder of such depositary receipt, as long as, except as required by law, that custodian is not authorized to make any deduction from the amount payable to the holder of the depositary receipt from any amount received by the custodian with respect to the government obligation or the specific payment of interest on or principal of or any other amount with respect to the government obligation evidenced by the depositary receipt.

Unless otherwise specified in the applicable prospectus supplement, if, after we have deposited funds and/or government obligations to effect defeasance or covenant defeasance with respect to debt securities of any series, either:

the holder of a debt security of that series is entitled to, and does, elect to receive payment in a currency other than that in which such deposit has been made in respect of that debt security; or

a conversion event, as defined below, occurs in respect of the foreign currency in which the deposit has been made,

the indebtedness represented by that debt security shall be deemed to have been, and will be, fully discharged and satisfied through the payment of the principal of, and any premium and interest on, and additional amounts, if any, with respect to, that debt security as that debt security becomes due out of the proceeds yielded by converting the amount or other properties so deposited in respect of that debt security into the currency in which that debt security becomes payable as a result of the election or conversion event based on:

in the case of payments made pursuant to the first of the two items in the list above, the applicable market exchange rate for the currency in effect on the second business day prior to the date of the payment; or

with respect to a conversion event, the applicable market exchange rate for such foreign currency in effect, as nearly as feasible, at the time of the conversion event.

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The indenture defines a conversion event as the cessation of use of:

- a foreign currency both by the government of the country or the confederation that issued such foreign currency and for the settlement of transactions by a central bank or other public institutions of or within the international banking community; or

- any currency unit or composite currency for the purposes for which it was established.

Unless otherwise provided in the applicable prospectus supplement, all payments of principal of, and any premium and interest on, any debt security that are payable in a foreign currency that ceases to be used by the government or confederation of issuance shall be made in U.S. dollars.

If we effect a covenant defeasance with respect to any debt securities and the debt securities are declared due and payable because of the occurrence of any event of default other than an event of default with respect to which there has been covenant defeasance, the amount in the foreign currency in which the debt securities are payable, and government obligations on deposit with the trustee, will be sufficient to pay amounts due on the debt securities at the time of the stated maturity but may not be sufficient to pay amounts due on the debt securities at the time of the acceleration resulting from the event of default. However, we would remain liable for payment of the amounts due at the time of acceleration.

The applicable prospectus supplement may further describe the provisions, if any, permitting defeasance or covenant defeasance, including any modifications to the provisions described above, with respect to the debt securities of or within a particular series.

Modification and Waiver

DTE Energy and the trustee may generally modify certain provisions of the indenture with the consent of the holders of not less than a majority in aggregate principal amount of the debt securities of each series affected by the modification, except that no such modification or amendment may, without the consent of the holder of each debt security affected thereby:

- change the stated maturity of the principal of, or any installment of principal of, or any premium or interest on, or any additional amounts with respect to, any debt security issued under the indenture;

- reduce the principal amount of, or premium or interest on, or any additional amounts with respect to, any debt security issued under the indenture;

- change the place of payment or the coin or currency in which any debt security issued under that indenture or any premium or any interest on that debt security or any additional amounts with respect to that debt security is payable;

reduce the percentage in principal amount of the outstanding debt securities, the consent of whose holders is required under the indenture in order to take certain actions;

change any of our obligations to maintain an office or agency in the places and for the purposes required by the indenture;

if the debt securities are convertible or exchangeable, modify the conversion or exchange provision in a manner adverse to holders of that debt security;

in the case of a subordinated debt security, modify any of the subordination provisions in a manner adverse to holders of that debt security;

impair the right to institute suit for the enforcement of any payment on or after the stated maturity of any debt securities issued under that indenture or, in the case of redemption, exchange or conversion, if applicable, on or after the redemption, exchange or conversion date or, in the case of repayment at the option of any holder, if applicable, on or after the date for repayment; or

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modify any of the above provisions or certain provisions regarding the waiver of past defaults or the waiver of certain covenants, with limited exceptions.

In addition, we and the trustee may, without the consent of any holders, modify provisions of the indenture for certain purposes, including, among other things:

evidencing the succession of another person to DTE Energy and the assumption by any such successor of the covenants of DTE Energy in the indenture and in the debt securities;

adding to the covenants of DTE Energy for the benefit of the holders of debt securities (and if such covenants are to be for the benefit of less than all series of debt securities, stating that such covenants are expressly being included solely for the benefit of such series) or surrendering any right or power herein conferred upon DTE Energy with respect to the debt securities;

adding any additional events of default with respect to the debt securities (and, if such event of default is applicable to less than all series of debt securities, specifying the series to which such event of default is applicable);

adding to or changing any provisions of the indenture to provide that bearer debt securities may be registrable, changing or eliminating any restrictions on the payment of principal of (or premium, if any) or interest on or any additional amounts with respect to bearer debt securities, permitting bearer debt securities to be issued in exchange for registered debt securities, permitting bearer debt securities to be issued in exchange for bearer debt securities of other authorized denominations or facilitating the issuance of debt securities in uncertificated form provided that any such action shall not adversely affect the interests of the holders of the debt securities in any material respect;

establishing the form or terms of debt securities of any series;

evidencing and providing for the acceptance of appointment of a successor trustee and adding to or changing any of the provisions of the indenture to facilitate the administration of the trusts;

curing any ambiguity, correcting or supplementing any provision in the indenture that may be defective or inconsistent with any other provision therein, or making or amending any other provisions with respect to matters or questions arising under the indenture which shall not adversely affect the interests of the holders of debt securities of any series in any material respect;

modifying, eliminating or adding to the provisions of the indenture to maintain the qualification of the indenture under the Trust Indenture Act as the same may be amended from time to time;

adding to, deleting from or revising the conditions, limitations and restrictions on the authorized amount, terms or purposes of issue, authentication and delivery of debt securities, as therein set forth;

modifying, eliminating or adding to the provisions of any security to allow for such security to be held in certificated form;

securing the debt securities;

making provisions with respect to conversion or exchange rights of holders of securities of any series;

amending or supplementing any provision contained therein or in any supplemental indenture, provided that no such amendment or supplement will adversely affect the interests of the holders of any debt securities then outstanding in any material respect; or

modifying, deleting or adding to any of the provisions of the indenture other than as contemplated above.

The holders of at least $66^{2}/_{3}\%$ in aggregate principal amount of debt securities of any series issued under the indenture may, on behalf of the holders of all debt securities of that series, waive our compliance with certain restrictive provisions of the indenture. The holders of not less than a majority in aggregate principal amount of

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debt securities of any series issued under the indenture may, on behalf of all holders of debt securities of that series, waive any past default and its consequences under the indenture with respect to the debt securities of that series, except:

- payment default with respect to debt securities of that series; or
- a default of a covenant or provision of the indenture that cannot be modified or amended without the consent of the holder of each debt security of that series.

Resignation and Removal of the Trustee; Deemed Resignation

The trustee may resign at any time with respect to the debt securities of one or more series by giving written notice thereof to us.

The trustee may also be removed with respect to the debt securities of any series by act of the holders of a majority in principal amount of the then outstanding debt securities of such series.

No resignation or removal of such trustee and no appointment of a successor trustee will become effective until the acceptance of appointment by a successor trustee in accordance with the requirements of the indenture.

Under certain circumstances, we may appoint a successor trustee and if the successor accepts, the retiring trustee will be deemed to have resigned.

Governing Law

The indenture is governed by, and will be construed in accordance with, the laws of the State of New York.

Concerning the Trustee

The Bank of New York Mellon Trust Company, N.A., is the successor trustee under the indenture. In addition to acting as trustee under the indenture and in certain other capacities as described in this prospectus, the trustee and its affiliates may act as trustee under various other indentures, trusts and guarantees of DTE Energy and its affiliates and may act as a lender and provide other banking, trust and investment services for DTE Energy and its affiliates in the ordinary course of business.

The Trust Indenture Act contains limitations on the rights of the trustee, should it become a creditor of DTE Energy, to obtain payment of claims in certain cases or to realize on certain property received by it in respect of any such claims, as security or otherwise. The trustee is permitted to engage in other transactions with DTE Energy and its subsidiaries from time to time, provided that if the trustee acquires any conflicting interest it must eliminate such conflict upon the occurrence of an event of default under the indenture, or else resign.

DESCRIPTION OF STOCK PURCHASE CONTRACTS AND STOCK PURCHASE UNITS

We may issue stock purchase contracts, including contracts that obligate holders to purchase from us, and obligate us to sell to these holders, a specified number of shares of common stock or preferred stock at a future date or dates. The consideration per share of common stock or preferred stock may be fixed at the time the stock purchase contracts are

issued or may be determined by reference to a specific formula set forth in the stock purchase contracts. The stock purchase contracts may be issued separately or as a part of stock purchase units consisting of a stock purchase contract and either our debt securities or debt securities of third parties including, but not limited to, U.S. Treasury securities, that would secure the holders obligations to purchase the common stock or preferred stock under the stock purchase contracts. The stock purchase contracts may require us to make periodic payments to the holders of some or all of the stock purchase units or vice versa, and such payments may be unsecured or prefunded on some basis. The stock purchase contracts may require holders to secure their obligations under these stock purchase contracts in a specified manner.

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The applicable prospectus supplement or other offering materials will describe the terms of the stock purchase contracts or stock purchase units and will contain a discussion of the material federal income tax considerations applicable to the stock purchase contracts and stock purchase units. The description in the applicable prospectus supplement or other offering materials will not necessarily be complete, and reference will be made for additional information to the purchase contract agreement or unit purchase agreement, as applicable, that we will enter into at the time of issue, and, if applicable, collateral or depositary arrangements, relating to the stock purchase contracts or stock purchase units.

BOOK-ENTRY SECURITIES

Unless we otherwise specify in the applicable prospectus supplement, the securities, other than our common stock, will be represented by one or more global securities. Each global security will be deposited with, or on behalf of, DTC and registered in the name of a nominee of DTC.

Portions of the following information concerning DTC and DTC s book-entry only system have been obtained from sources, including DTC, that we believe to be reliable. We make no representation as to the accuracy of such information.

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

Purchases of global securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the global securities on DTC s records. The ownership interest of each actual purchaser of each security (Beneficial Owner) is in turn to be recorded on the Direct and Indirect Participants records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the global securities except in the event that use of the book-entry system for the global securities is discontinued.

To facilitate subsequent transfers, all global securities deposited by Direct Participants with DTC will be registered in the name of DTC s partnership nominee, Cede & Co. or such other name as may be requested by an authorized

representative of DTC. The deposit of global securities with DTC and their registration in the name of Cede & Co. or such other nominee will effect no change in beneficial ownership. DTC will have no knowledge

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of the actual Beneficial Owners of the global securities; DTC s records will reflect only the identity of the Direct Participants to whose accounts such securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners may wish to take certain steps to augment transmission to them of notices of significant events with respect to the global securities, such as redemptions, tenders, defaults and proposed amendments to the Indenture. Beneficial Owners may wish to ascertain that the nominee holding the global securities for their benefit has agreed to obtain and transmit notices to the Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Any redemption notices will be sent to DTC. If less than all of a series of global securities are being redeemed, DTC s practice is to determine by lot the amount of the interest of each Direct Participant to be redeemed.

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

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

DTC may discontinue providing its services as securities depository with respect to the securities at any time by giving reasonable notice to us or the trustee. Under such circumstances, in the event that a successor securities depository is not obtained, certificates representing the securities are required to be printed and delivered.

We may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository), subject to the procedures of DTC. In that event, certificates representing the securities will be printed and delivered to DTC.

The underwriters, dealers or agents of any of the securities may be direct participants of DTC.

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PLAN OF DISTRIBUTION

DTE Energy may sell the securities through agents, underwriters or dealers, or directly to one or more purchasers without using underwriters or agents.

DTE Energy may designate one or more agents to sell the securities. Unless otherwise stated in a prospectus supplement, the agents will agree to use their reasonable efforts to solicit purchases for the period of their appointment or to sell securities on a continuing basis.

If DTE Energy uses underwriters for a sale of securities, the underwriters will acquire the securities for their own account. The underwriters may resell the securities in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The underwriters may sell the securities directly or through underwriting syndicates represented by managing underwriters. Unless otherwise stated in a prospectus supplement, the obligations of the underwriters to purchase the securities will be subject to the conditions set forth in the applicable underwriting agreement. The underwriters will be obligated to purchase all the securities offered if any of those securities are purchased. If DTE Energy uses a dealer in the sale, it will sell the securities to the dealer as principal. The dealer may then resell those securities at varying prices determined at the time of resale. Any initial public offering price and any discounts or concessions allowed or re-allowed or paid to dealers will be described in the applicable prospectus supplement and may be changed from time to time.

Underwriters, dealers and agents that participate in the distribution of the securities may be underwriters as defined in the Securities Act and any discounts or commissions they receive from DTE Energy and any profit on their resale of the securities may be treated as underwriting discounts and commissions under the Securities Act. The applicable prospectus supplement will identify any underwriters, dealers or agents and will describe their compensation. DTE Energy may have agreements with the underwriters, dealers and agents to indemnify them against certain civil liabilities, including liabilities under the Securities Act. Underwriters, dealers and agents may engage in transactions with or perform services for us or our subsidiaries in the ordinary course of their businesses.

Trading Markets and Listing of Securities

Unless otherwise specified in the applicable prospectus supplement, each class or series of securities will be a new issue with no established trading market, other than the common stock, which is listed on the New York Stock Exchange. DTE Energy may elect to list any other class or series of securities on any exchange but is not obligated to do so. It is possible that one or more underwriters may make a market in a class or series of securities, but the underwriters will not be obligated to do so and may discontinue any market making at any time without notice DTE Energy cannot give any assurance as to the liquidity of the trading market for any of the securities.

Stabilization Activities

Any underwriter may engage in over-allotment, stabilizing transactions, syndicate-covering transactions and penalty bids under the Exchange Act. Over-allotment involves sales in excess of the offering size, which create a syndicate short position. Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum. Syndicate-covering transactions involve purchases of the securities in the open market after the distribution is completed to cover syndicate short positions. Penalty bids permit the underwriters to reclaim a selling concession from a syndicate member when the securities originally sold by the syndicate member are purchased in a syndicate covering transaction to cover syndicate short positions. These stabilizing activities may cause the price of the securities to be higher than it would otherwise be. If commenced, the underwriters may discontinue any of the activities at any time.

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LEGAL MATTERS

The validity of the securities and certain other legal matters will be passed upon for DTE Energy by Patrick B. Carey, Associate General Counsel. Mr. Carey beneficially owns shares of DTE Energy common stock. Except as otherwise set forth in a prospectus supplement, certain legal matters relating to the securities will be passed upon for any underwriters, dealers or agents by Pillsbury Winthrop Shaw Pittman LLP, New York, New York.

Pillsbury Winthrop Shaw Pittman LLP has represented, and may in the future continue to represent, us and certain of our affiliates in connection with certain spent nuclear fuel and other nuclear waste matters unrelated to the offering of securities described in this prospectus.

EXPERTS

The consolidated financial statements 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) incorporated in this prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2015 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND MORE INFORMATION

Available Information

We file annual, quarterly and special reports, and other information with the Securities and Exchange Commission. Our SEC filings are available to the public over the Internet at the SEC s web site at http://www.sec.gov. You may also read and copy any document we file at the SEC s public reference room located at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for more information on the public reference room and copy charges.

We maintain a web site at http://www.dteenergy.com, that contains information about us. The information on our web site is not incorporated by reference into this prospectus and you should not consider it part of this prospectus.

Incorporation by Reference

The SEC allows us to incorporate by reference the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus, and information that we file later with the SEC will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act (other than information in such documents that is deemed not to be filed):

- Annual Report on Form 10-K for the year ended December 31, 2015 (including information specifically incorporated by reference into DTE Energy s Form 10-K from DTE Energy s definitive Proxy Statement for its 2016 annual meeting of shareholders filed on March 10, 2016);

Quarterly Reports on Form 10-Q for the quarters ended March 31 and June 30, 2016;

Current Reports on Form 8-K filed February 2, March 2, May 10, May 27, July 26, and September 26, 2016; and

Description of DTE Energy common stock on Form 8-B, filed on January 2, 1996.

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Each of these documents is available from the SEC s web site and public reference rooms described above. We will provide without charge to each person, including any beneficial owner, to whom a copy of this prospectus is delivered, on the written or oral request of that person, a copy of any or all of the documents incorporated in this prospectus or in any related prospectus supplement by reference, excluding the exhibits to those documents unless the exhibits are specifically incorporated by reference therein. You may make such a request by writing or telephoning DTE Energy Investor Relations at:

DTE Energy Company

Attention: Investor Relations, 819 WCB

One Energy Plaza

Detroit, Michigan 48226-1279

(313) 235-8030

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