W. P. Carey Inc.
Form 424B5
February 27, 2019
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CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered(1)	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(1)(2)(3)
Common Stock, par value $0.001 per share	$ 500,000,000	$ 60,600.00

(1) Calculated in accordance with Rule 457(o) under the Securities Act of 1933, as amended (the Securities Act), based on the proposed maximum aggregate offering price, and Rule 457(r) under the Securities Act. The fee payable in connection with the offering pursuant to this prospectus supplement is payable in accordance with Rule 456(b) under the Securities Act.

(2) A registration fee in the amount of $201,400 was previously paid by Corporate Property Associates 19 Global Incorporated (CPA 19) in connection with the filing of a Registration Statement on Form S-11 (Registration No. 333-211124) on May 4, 2016 (the CPA Filing). On July 20, 2017, the CPA Filing was withdrawn and a Form RW was filed by CPA 19. The Registrant was the direct parent of CPA 19. Pursuant to Rule 457(p) under the Securities Act of 1933, (i) on March 1, 2018, of the $201,400 filing fee previously paid by CPA 19, the Registrant offset $75,945 in connection with the registration of 500,000,000 aggregate principal amount of the 2.125% Senior Notes due 2027 (the First Offering), (ii) on October 4, 2018, after taking into account the First Offering, of the remaining $125,455, $70,150.56 was offset in connection with the registration of 500,000,000 aggregate principal amount of the 2.250% Senior Notes due 2026 (the Second Offering), and (iii) after taking into account the First Offering and the Second Offering, the remaining $55,304.44 has been offset against the filing fee for this Registration Statement.

(3) On March 1, 2017, the Registrant established an at-the-market program relating to the issuance and sale of common stock having an aggregate gross sales price of up to $400,000,000 (the Prior Program) and in connection therewith paid a registration fee in the amount of $46,360. As of the date of this filing, (i) $27.1 million remained available for issuance under the Prior Program, and (ii) the Prior Program has been terminated. In connection therewith, of the $46,360 registration fee, $3,129.30 was never utilized by the Registrant, and such amount has been offset against the registration fee payable hereunder.

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Filed Pursuant to Rule 424(b)(5)
Registration Statement No. 333-214510

Prospectus supplement

(to prospectus dated November 8, 2016)

Up to $500,000,000

Common Stock

W. P. Carey Inc. has entered into an equity sales agreement (the Sales Agreement) with Merrill Lynch, Pierce, Fenner & Smith Incorporated, BNY Mellon Capital Markets, LLC, BTIG, LLC, Fifth Third Securities, Inc., J.P. Morgan Securities LLC, Robert W. Baird & Co. Incorporated, Scotia Capital (USA) Inc. and Wells Fargo Securities, LLC (collectively, the Sales Agents and each individually, a Sales Agent) relating to shares of our common stock, par value $0.001 per share, offered by this prospectus supplement and the accompanying prospectus pursuant to a continuous offering program. In accordance with the terms of the Sales Agreement, we may offer and sell shares of our common stock from time to time with an aggregate gross sales price of up to $500,000,000 through the Sales Agents, as our sales agents, or directly to the Sales Agents acting as principal. Our common stock is listed on the New York Stock Exchange (the NYSE) under the symbol WPC. The last reported sale price of our common stock on the NYSE on February 26, 2019 was $74.03 per share.

Sales of our common stock, if any, pursuant to this prospectus supplement and the accompanying prospectus will be made by means of ordinary brokers transactions on the NYSE or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices, or as otherwise agreed with the applicable Sales Agent. Accordingly, an indeterminate number of shares of our common stock may be sold, up to the number of shares that will result in a gross sales price of up to $500,000,000. The Sales Agents are not required to sell any specific number or dollar amount of our common stock, but each Sales Agent will, subject to the terms and conditions of the Sales Agreement, use its commercially reasonable efforts, consistent with its normal trading and sales practices and applicable laws and regulations, to sell shares of our common stock designated by us. We will pay each Sales Agent a commission not to exceed 2% of the gross sales price of the shares of our common stock sold by such Sales Agent pursuant to this prospectus supplement. The net proceeds that we receive will be the gross proceeds received from such sales less the commissions and any other costs that we may incur in issuing the shares of our common stock. See Plan of distribution (Conflicts of interest) in this prospectus supplement for further information.

In order to assist us with preserving our status as a real estate investment trust (REIT) for federal income tax purposes, our charter contains certain ownership and transfer restrictions relating to shares of our common stock. See Description of Capital Stock Restrictions on Ownership and Transfer in the accompanying prospectus for additional information about these restrictions.

Under the terms of the Sales Agreement, we may also sell shares of our common stock to one or more of the Sales Agents as principal, at a price per share to be agreed upon at the time of sale. If we sell shares to one or more of the Sales Agents as principal, we will enter into a separate terms agreement with such Sales Agent or Sales Agents, as the case may be, and we will describe the terms of the offering of those shares in a separate prospectus supplement. In any such sale to a Sales Agent as principal, we may agree to pay the applicable Sales Agent a commission or underwriting discount that may exceed 2.0% of the gross sales price per share of common stock sold to such Sales Agent, as principal.

Investing in our common stock involves risks. Before making a decision to invest in our common stock, you should carefully read and consider the information under the heading Risk factors beginning on page S-5 of this prospectus supplement and in our most recent Annual Report on Form 10-K, as well as additional information and risks that we

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disclose in reports that we have filed since such time or which we subsequently file, in each instance, with the Securities and Exchange Commission (the SEC) pursuant to the Securities Exchange Act of 1934, as amended (the Exchange Act) prior to completion of this offering, which are deemed to be incorporated by reference in this prospectus supplement and the accompanying prospectus.

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

On March 1, 2017, the Company established an at-the-market program relating to the issuance and sale of common stock having an aggregate gross sales price of up to $400,000,000 (the Prior Program). As of the date of this prospectus supplement, the Prior Program has been terminated.

BofA Merrill Lynch	**Baird**	**BNY Mellon Capital Markets, LLC**
BTIG	**Fifth Third Securities**	**J.P. Morgan**
Scotiabank		**Wells Fargo Securities**

The date of this prospectus supplement is February 27, 2019.

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You should rely only on the information contained in, or incorporated, or deemed to be incorporated, by reference in, this prospectus supplement and the accompanying prospectus, and in any free writing prospectus prepared by us or on our behalf. We have not, and the Sales Agents have not, authorized anyone to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. We are not, and the Sales Agents are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in, or incorporated, or deemed to be incorporated, by reference in, this prospectus supplement and the accompanying prospectus, or in any free writing prospectus is accurate as of any date other than the respective dates of such documents or such other dates as may be specified therein. Our business, financial condition, liquidity, results of operations, adjusted funds from operations and prospects may have changed since those respective dates.

About this prospectus supplement

We are providing information to you about this offering in two parts. The first part is this prospectus supplement, which describes certain terms of our common stock and this offering. The second part, the accompanying prospectus, gives more general information about us, our common stock and other securities that we may offer from time to time, some of which does not apply to our common stock or this offering. If there is a conflict between the descriptions of our common stock or this offering in this prospectus supplement and those in the accompanying prospectus, the descriptions in this prospectus supplement shall control.

Any information contained in this prospectus supplement, the accompanying prospectus or any document incorporated, or deemed to be incorporated, by reference herein or therein will be deemed to have been modified or superseded to the extent that a statement contained in this prospectus supplement, the accompanying prospectus or in any document that we file with the SEC pursuant to the Exchange Act, that is incorporated, or deemed to be incorporated, by reference into this prospectus supplement and the accompanying prospectus, modifies or supersedes the original statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to be part of this prospectus supplement or the accompanying prospectus. You should read this prospectus supplement, the accompanying prospectus and any free writing prospectus we may provide to you in connection with this offering, together with the documents incorporated, or deemed to be incorporated, by reference into this prospectus supplement and the accompanying prospectus as described under the heading Where you can find more information; Incorporation by reference beginning on page S-11 of this prospectus supplement.

You should not consider any information contained in, or incorporated, or deemed to be incorporated, by reference in this prospectus supplement or the accompanying prospectus or in any free writing prospectus to be investment, accounting, legal or tax advice. You should consult your own counsel, accountants and other advisors for investment, accounting, legal, tax and related advice regarding an investment in shares of our common stock. We are not making, and no Sales Agent is making, any representation to you regarding the legality of an investment in shares of common stock offered hereby by you under applicable investment or similar laws.

Unless the context otherwise requires or as otherwise specified, references in this prospectus supplement to W. P. Carey Inc., the Company, we, us, or our refers to W. P. Carey Inc. and its consolidated subsidiaries and predecessors.

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Forward-looking statements

This prospectus supplement, the accompanying prospectus, and the documents incorporated, or deemed to be incorporated, by reference herein and therein contain statements that are based on our current expectations, our estimates and forecasts, projections about our future performance, our business, our beliefs and our management s assumptions and other matters, and are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Exchange Act. These forward-looking statements include, but are not limited to, statements regarding: the impact of our merger with Corporate Property Associates 17 Global Incorporated and a potential UPREIT reorganization; the amount and timing of any future dividends; statements regarding our corporate strategy and estimated or future economic performance and results, including our projected assets under management, underlying assumptions about our portfolio (e.g., occupancy rate, lease terms, and tenant credit quality, including our expectations about tenant bankruptcies and interest coverage), possible new acquisitions and dispositions, and our international exposure (including the effect of the United Kingdom s planned departure from the European Union); our capital structure, future capital expenditure levels (including any plans to fund our future liquidity needs), and future leverage and debt service obligations; capital markets, including our credit ratings and ability to sell shares under this at-the-market program and the use of proceeds from this program; the outlook for the investment programs that we manage, including their earnings, as well as possible liquidity events for those programs; statements that we make regarding our ability to remain qualified for taxation as a REIT and the Tax Cuts and Jobs Act; the impact of recently issued accounting pronouncements; other regulatory activity, such as the General Data Protection Regulation in the European Union or other data privacy initiatives; and the general economic outlook. Forward-looking statements are generally identified by the words believe, project, expect, anticipate, estimate, intend, strategy, plan, may, shoul will be, will continue, will likely result and similar expressions. Actual results could differ materially from those contemplated by these forward-looking statements as a result of many factors.

The information under the heading Risk factors beginning on page S-5 of this prospectus supplement and in our most recent Annual Report on Form 10-K, as well as additional information and risks that we disclose in reports that we have filed since such time or which we subsequently file, in each instance, with the SEC pursuant to the Exchange Act prior to completion of this offering, which are incorporated, or deemed to be incorporated, by reference in this prospectus supplement and the accompanying prospectus, and other similar statements contained in or incorporated or deemed to be incorporated by reference in this prospectus supplement and the accompanying prospectus and any related free writing prospectus prepared by us or on our behalf, identify important factors with respect to forward-looking statements, including certain risks and uncertainties that could cause actual results to differ materially from those contemplated by such forward-looking statements. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial also may materially and adversely affect us. Should any known or unknown risks and uncertainties develop into actual events, those developments could have a material adverse effect on our business, financial condition, liquidity, results of operations and prospects.

In light of these risks and uncertainties, there can be no assurance that the results and events contemplated by the forward-looking statements contained in this prospectus supplement, the accompanying prospectus and the documents incorporated or deemed to be incorporated by reference herein and therein will in fact transpire. Moreover, because we operate in a very competitive and rapidly changing environment, new risk factors are likely to emerge from time to time. Given these risks and uncertainties, potential investors are cautioned not to place undue reliance on forward-looking statements as a prediction of future results. We do not undertake any obligation to update or revise any forward-looking statements except as required by applicable law. All subsequent forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements.

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Prospectus supplement summary

The following summary highlights information more fully described elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus. This summary is not complete and does not contain all of the information that may be important to you. Before making a decision to invest in shares of our common stock, you should carefully read this entire prospectus supplement, including the matters set forth under the heading Risk factors, the accompanying prospectus, any free writing prospectus we may provide to you in connection with this offering, and the documents incorporated or deemed to be incorporated by reference in this prospectus supplement and the accompanying prospectus. This summary is qualified in its entirety by the more detailed information and financial statements, including the notes thereto, appearing elsewhere or incorporated or deemed to be incorporated by reference in this prospectus supplement and the accompanying prospectus.

The Company

W. P. Carey Inc., together with its consolidated subsidiaries and predecessors (W. P. Carey), is an internally-managed diversified REIT and a leading owner of commercial real estate, net-leased to companies located primarily in the United States and Northern and Western Europe on a long-term basis. Our revenues largely originate from lease revenue provided by our real estate portfolio. As of December 31, 2018, we owned a diversified investment portfolio that included full or partial ownership interests in 1,163 net-leased properties, with an occupancy rate of 98.3% and a weighted average lease term of 10.2 years. Our net-leased real estate portfolio is diversified by geography, tenant, asset type and tenant industry. It is primarily composed of single-tenant industrial, warehouse, office and retail facilities that are essential to our corporate tenants operations. The vast majority of W. P. Carey s leases specifies a base rent with scheduled rent increases (either tied to inflation or fixed) and require the tenant to pay substantially all of the costs associated with operating and maintaining the property.

In addition to the lease revenues from our real estate portfolio, we earn fee revenue by advising certain non-traded public and private investment programs through our investment management business (the Managed Programs). In June 2017, we exited non-traded retail fundraising activities and no longer sponsor new investment programs. On October 31, 2018, we acquired one of our former investment programs, Corporate Property Associates 17 Global Incorporated, for approximately $5.9 billion. As of December 31, 2018, we managed approximately $7.6 billion of total assets on behalf of the Managed Programs. We currently expect to continue to manage all existing Managed Programs through the end of their respective life cycles.

Our shares of common stock are listed on the NYSE under the ticker symbol WPC. Headquartered in New York, we also have offices in Dallas, London, and Amsterdam. At December 31, 2018, we had 206 employees. Our principal executive offices are located at 50 Rockefeller Plaza, New York, New York 10020. Our telephone number is (212) 492-1100. Investors can find press releases, financial filings and other information about us on our website at http://www.wpcarey.com. However, the contents of our website are not incorporated by reference into this prospectus supplement.

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The offering

The following summary contains basic information about shares of our common stock and the offering and is not intended to be complete. It does not contain all the information that is important to you. For a more complete understanding of the offering and shares of our common stock, please refer to the sections entitled Description of Capital Stock in the accompanying prospectus.

Issuer	W. P. Carey Inc.
Common Stock Offered by Us	Shares of our common stock having an aggregate gross sales price of up to $500,000,000.
Manner of Offering	At-the-market offering that may be made from time to time through Merrill Lynch, Pierce, Fenner & Smith Incorporated, BNY Mellon Capital Markets, LLC, BTIG, LLC, Fifth Third Securities, Inc., J.P. Morgan Securities LLC, Robert W. Baird & Co. Incorporated, Scotia Capital (USA) Inc. and Wells Fargo Securities, LLC, as sales agents using commercially reasonable efforts consistent with each such Sales Agent s normal trading and sales practices and applicable laws and regulations. See Plan of distribution (Conflicts of interest) in this prospectus supplement.
Use of Proceeds	We intend to use the net proceeds from this offering to reduce outstanding indebtedness, which may include amounts outstanding under our unsecured revolving credit facility, to fund potential future acquisitions and for general corporate purposes. See Use of proceeds in this prospectus supplement.
Restrictions on Ownership and Transfer	In order to assist us with preserving our status as a REIT for federal income tax purposes, our charter contains certain ownership and transfer restrictions relating to shares of our common stock. See Description of Capital Stock Restrictions on Ownership and Transfer in the accompanying prospectus for additional information about these restrictions.
Risk Factors	Investing in our common stock involves risks. Before making a decision to invest in our common stock, you should carefully read and consider the information under the heading Risk factors beginning on page S-5 of this prospectus supplement and in our most recent Annual Report on Form 10-K, as well as additional information and risks that we disclose in reports that we have filed since such time or which we subsequently file, in each instance, with the SEC pursuant to the Exchange Act prior to completion of this offering, which are deemed to be incorporated by reference in this prospectus supplement and the accompanying prospectus.
Conflicts of Interest	Affiliates of certain sales agents are lenders under our unsecured revolving credit facility. To the extent we use a portion of the net proceeds from this offering to reduce borrowings outstanding under our unsecured revolving credit facility, such affiliates will receive their proportionate shares of the net proceeds from this offering used to reduce such indebtedness. See Plan of distribution (Conflicts of interest) in this prospectus supplement.
New York Stock Exchange Symbol	WPC

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Risk factors

Investing in our common stock involves risks. In addition to the risks incorporated by reference into this prospectus supplement and the accompanying prospectus from our most recent Annual Report on Form 10-K and the additional information and risks that we disclose in reports that we have filed since such time or which we subsequently file, in each instance, with the SEC pursuant to the Exchange Act prior to completion of this offering, which are incorporated or deemed to be incorporated by reference in this prospectus supplement and the accompanying prospectus, you should carefully consider those risk factors before you decide to invest in our common stock. The risks and uncertainties included or incorporated by reference in this prospectus supplement and the accompanying prospectus are those that we currently believe may materially affect our Company. Additional risks not presently known or that are currently deemed immaterial could also materially and adversely affect our business, financial condition, liquidity, results of operations and prospects. The realization of any of these risks could have a material adverse effect on our business, financial condition, liquidity, results of operations and prospects, as well as our ability to pay dividends on our common stock or service our indebtedness. As a result, the trading volume and market price of our common stock may decline and you may lose part or all of your investment.

Affiliates of the Sales Agents may receive benefits in connection with this offering, which may result in potential conflicts of interest.

We may use a portion of the net proceeds from this offering to reduce amounts outstanding under our unsecured revolving credit facility. Affiliates of certain Sales Agents are lenders under our unsecured revolving credit facility. Accordingly, to the extent we use a portion of the net proceeds from this offering to reduce amounts outstanding under our unsecured revolving credit facility, such affiliates of the Sales Agents will receive their proportionate shares of the net proceeds from this offering used to reduce such indebtedness. Such a use of proceeds creates a conflict of interest because the Sales Agents have an interest in the successful completion of this offering beyond the sales commissions that they will receive under the Sales Agreement. These interests may influence the decision regarding the terms and circumstances under which the offering is completed, and could cause the Sales Agents to act in a manner that is not in the best interests of us or our stockholders in connection with any sale of shares of our common stock pursuant to this prospectus supplement. See Use of proceeds and Plan of distribution (Conflicts of interest) in this prospectus supplement.

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Use of proceeds

We intend to use the net proceeds from this offering to reduce outstanding indebtedness, which may include amounts outstanding under our unsecured revolving credit facility, to fund potential future acquisitions and for general corporate purposes. As of February 25, 2019, we had borrowings of approximately $70 million, ¥2,420 million and 65 million outstanding under our unsecured revolving credit facility, which bore a weighted-average annual interest rate of 2.1%.The unsecured revolving credit facility matures in 2021, with two six-month options to extend the maturity to 2022, subject to our compliance with certain conditions.

Affiliates of certain sales agents are lenders under our unsecured revolving credit facility. To the extent we use a portion of the net proceeds from this offering to reduce borrowings outstanding under our unsecured revolving credit facility, such affiliates will receive their proportionate shares of the net proceeds from this offering used to reduce such indebtedness. See Plan of distribution (Conflicts of interest) in this prospectus supplement.

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Plan of distribution (Conflicts of interest)

We have entered into the Sales Agreement with each of Merrill Lynch, Pierce, Fenner & Smith Incorporated, BNY Mellon Capital Markets, LLC, BTIG, LLC, Fifth Third Securities, Inc., J.P. Morgan Securities LLC, Robert W. Baird & Co. Incorporated, Scotia Capital (USA) Inc. and Wells Fargo Securities, LLC, under which we may issue and sell over a period of time and from time to time shares of our common stock with an aggregate gross sales price of up to $500,000,000 through the Sales Agents as our sales agents, or directly to the Sales Agents acting as principal. Sales of the shares of our common stock to which this prospectus supplement and the accompanying prospectus relate, if any, will be made by means of ordinary brokers transactions on the NYSE, or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices, or as otherwise agreed with the applicable Sales Agent.

The Sales Agents will offer shares of our common stock, subject to the terms and conditions of the Sales Agreement, on any trading day or as otherwise agreed upon by us and the Sales Agents. We will designate the maximum number of shares of our common stock to be sold through a Sales Agent on any trading day, or otherwise as we and the Sales Agent agree, and the minimum price per share at which such shares may be sold. Subject to the terms and conditions of the Sales Agreement, the Sales Agents will use their commercially reasonable efforts, consistent with their normal trading and sales practices and applicable laws and regulations, to sell, on our behalf, all of the shares of common stock so designated. We may instruct the Sales Agents not to sell our common stock if the sales cannot be effected at or above the price designated by us in any such instruction. Under the Sales Agreement, we or a Sales Agent may suspend the offering of our common stock being made through the Sales Agent at any time upon proper notice to the other party.

Settlement for any sales of our common stock is expected to occur on the second business day following the trading date on which such sales were made in return for payment of the proceeds to us. The obligation of any Sales Agent under the Sales Agreement to sell shares of our common stock is subject to a number of conditions, which such Sales Agent reserves the right to waive in its sole discretion.

Under the terms of the Sales Agreement, we may also sell shares of our common stock to one or more of the Sales Agents as principal, at a price per share to be agreed upon at the time of sale. If we sell shares to one or more of the Sales Agents as principal, we will enter into a separate terms agreement with such Sales Agent or Sales Agents, as the case may be, and we will describe the terms of the offering of those shares in a separate prospectus supplement. In any such sale to a Sales Agent as principal, we may agree to pay the applicable Sales Agent a commission or underwriting discount that may exceed 2.0% of the gross sales price per share of common stock sold to such Sales Agent, as principal.

In connection with any sale of common stock on our behalf, a Sales Agent may be deemed to be an underwriter within the meaning of the Securities Act, and the compensation paid to a Sales Agent may be deemed to be an underwriting commission or discount. We have agreed in the Sales Agreement to provide indemnification and contribution to the Sales Agents against certain civil liabilities, including liabilities under the Securities Act.

If we have reason to believe our common stock is no longer an actively-traded security as defined in Rule 101(c)(1) of Regulation M under the Exchange Act, we will promptly so notify the Sales Agents, and sales of our common stock under the Sales Agreement will be suspended until that or other exemptive provisions have been satisfied in the judgment of us and the Sales Agents. If a Sales Agent, that is subject to a sale instruction, has reason to believe that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the Exchange Act are not satisfied with respect to W. P. Carey or the shares subject to such sale instruction, it shall promptly notify W. P. Carey.

The offering of common stock pursuant to the Sales Agreement will terminate upon the earlier of (i) the sale of shares of our common stock pursuant to the Sales Agreement having an aggregate gross sales price of $500,000,000 or (ii) the termination of the Sales Agreement, pursuant to its terms, by either the Sales Agents or us.

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Commissions and Expenses

We will pay each Sales Agent a commission not to exceed 2% of the gross sales price of the shares of our common stock sold by such Sales Agent under the Sales Agreement.

We have also agreed, under certain circumstances, to reimburse the Sales Agents for certain of their reasonable, documented out-of-pocket expenses, including fees and expenses of counsel in connection with the Sales Agreement. We estimate that the total expenses related to this offering payable by us, excluding commissions payable to the Sales Agents under the Sales Agreement, will be approximately $325,000.

Reporting

We will deliver to the NYSE copies of this prospectus supplement and the accompanying prospectus pursuant to the rules of the NYSE. To the extent required by applicable law and/or interpretations of the SEC, we will report at least quarterly the number of shares of common stock sold through the Sales Agents under the Sales Agreement, the net proceeds to us and the compensation paid by us to the Sales Agents in connection with the sales of common stock for each quarter in which any sales are made through the Sales Agents.

Conflicts of Interest

As described above under Use of proceeds, we intend to use the net proceeds from this offering to reduce outstanding indebtedness, which may include amounts outstanding under our unsecured revolving credit facility, to fund potential future acquisitions and for general corporate purposes. Affiliates of Merrill Lynch, Pierce, Fenner & Smith Incorporated, Fifth Third Securities, Inc., J.P. Morgan Securities LLC, Robert W. Baird & Co. Incorporated, Scotia Capital (USA) Inc. and Wells Fargo Securities, LLC are lenders under our unsecured revolving credit facility and, in connection with their participation in the unsecured revolving credit facility, may receive customary fees. To the extent we use a portion of the net proceeds from this offering to reduce borrowings outstanding under our unsecured revolving credit facility, such affiliates will receive their proportionate shares of the net proceeds from this offering used to reduce such indebtedness. See Use of proceeds in this prospectus supplement.

Other Relationships

The Sales Agents and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Sales Agents and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or

our affiliates. The Sales Agents and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

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Legal matters

DLA Piper LLP (US) will pass upon certain matters relating to this offering for us. Sidley Austin LLP will act as counsel to the Sales Agents.

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Experts

The 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 of W.P. Carey Inc. for the year ended December 31, 2018 and the audited historical financial statements of Corporate Property Associates 17 Global Incorporated included on Exhibit 99.1 of W.P. Carey Inc. s Current Report on Form 8-K/A dated November 19, 2018 have been so incorporated in reliance on the reports of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

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Where you can find more information; Incorporation by reference

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available to the public on the SEC website at http://www.sec.gov.

Our filings with the SEC are also available on our website at www.wpcarey.com. However, the contents of our website are not incorporated by reference into this prospectus supplement or the accompanying prospectus.

We have filed a registration statement on Form S-3 with the SEC. This prospectus supplement and the accompanying prospectus do not contain all of the information included in the registration statement. If a reference is made in this prospectus supplement, the accompanying prospectus, or the documents incorporated or deemed to be incorporated by reference to any of our contracts or other documents filed or incorporated by reference as an exhibit to the registration statement, the reference may not be complete and you should refer to the filed copy of the contract or document.

As described in the accompanying prospectus under the heading Where You Can Find More Information; Incorporation by Reference, we have incorporated by reference into this prospectus supplement and the accompanying prospectus specified documents that we have filed with the SEC and documents that we subsequently file with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act, prior to the termination of this offering, shall be deemed to be incorporated by reference in this prospectus supplement and the accompanying prospectus. However, notwithstanding anything in this prospectus supplement or the accompanying prospectus to the contrary, no document, exhibit or information, or any portion thereof, that we have furnished or may in the future furnish to (rather than file with) the SEC is or shall be incorporated by reference into this prospectus supplement or the accompanying prospectus.

This prospectus supplement incorporates by reference the documents listed below, all of which have been previously filed with the SEC:

- our Annual Report on Form 10-K for the year ended December 31, 2018, filed on February 25, 2019;

- our Definitive Proxy Statements filed on April 3, 2018;

- Exhibit 99.1, Exhibit 99.2 and Exhibit 99.3 of our Current Report on Form 8-K/A (excluding any information furnished therein) filed on November 19, 2018; and

- the description of our common stock contained or incorporated in the Registration Statement on Form 8-A filed on September 25, 2012 (File No. 001-35665) (which, among other matters, registers the common stock under Section 12(b) of the Exchange Act), including any amendments or reports filed for the purpose of updating such

description.

The information that is incorporated, or deemed to be incorporated, by reference in this prospectus supplement and the accompanying prospectus is considered a part of this prospectus supplement and the accompanying prospectus. Information that we file with the SEC after the date of this prospectus supplement and prior to the termination of this offering that is deemed to be incorporated by reference in this prospectus supplement and the accompanying prospectus will automatically update and supersede the information contained or incorporated, or deemed to be incorporated, by reference in this prospectus supplement and the accompanying prospectus. Any statement contained or incorporated, or deemed to be incorporated, by reference in this prospectus supplement or the accompanying prospectus shall be deemed to be modified or superseded to the extent that a statement contained in any other subsequently filed document that also is, or is deemed to be, incorporated by reference in this prospectus supplement and the accompanying prospectus modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement or the accompanying prospectus.

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PROSPECTUS

W. P. CAREY INC.

Common Stock
Preferred Stock

Depositary Shares
Stock Purchase Contracts
Stock Purchase Unit
Warrants

Debt Securities

Guarantee of Debt Securities

WPC EUROBOND B.V.

Debt Securities

(fully, unconditionally and irrevocably guaranteed by W. P. Carey Inc.)

W. P. Carey Inc. may from time to time, in one or more offerings, offer, issue and sell (i) shares of our common stock, $0.001 par value per share (***Common Stock***), (ii) one or more series of our preferred stock, $0.001 par value per share (***Preferred Stock***, and together with the Common Stock, the ***Capital Stock***), (iii) depositary shares, which may represent a fractional interest in a share of a particular class or series of our Preferred Stock (the ***Depositary Shares***), (iv) stock purchase contracts and stock purchase units (collectively, the ***Purchase Agreements***), (v) warrants (***Warrants***), (vi) debt securities (***Company Debt Securities***), and (vii) a guarantee (***Guarantee***) of debt securities offered and sold by WPC Eurobond B.V. (***WPC Finance***) (the Common Stock, Preferred Stock, Depositary Shares, Purchase Agreements, Warrants, Company Debt Securities and any such Guarantee, collectively, the ***Company Securities***). One or more of the Company Securities, including but not limited to the Preferred Stock, Depositary Shares, Warrants and Company Debt Securities, may be convertible into or exercisable or exchangeable for shares of Common Stock, Preferred Stock or other Company Securities. WPC Finance may from time to time, in one or more offerings, offer, issue and sell securities (***WPC Finance Debt Securities***, and collectively with the Company Debt Securities, the ***Debt Securities,*** and collectively with the Company Securities, the ***Securities***). Any WPC Finance Debt Securities will be fully, unconditionally and irrevocably guaranteed by W. P. Carey Inc., as described in this prospectus and in any applicable prospectus supplement.

This prospectus describes some of the general terms that may apply to the Securities. When we decide to offer the Securities, we will prepare a prospectus supplement describing the offering and the particular terms of the Securities that we are selling, which terms will include, among other things, (i) in the case of Common Stock, any public offering price, (ii) in the case of Preferred Stock, the specific title and stated value, any distribution, liquidation, redemption, conversion, voting and other rights, and any initial public offering price, (iii) in the case of Depositary Shares, the fractional Preferred Stock represented by each Depositary Share and the applicable terms of the Preferred Stock, (iv) in the case of Purchase Agreements, the particular combination of Securities constituting any Purchase Agreement, (v) in the case of Warrants, the exercise price and other specific terms of the Warrants, including a description of the underlying Security, (vi) in the case of Debt Securities, the particular terms of the Debt Securities, which will include, among other things, the specific title of the Debt Securities, the aggregate amount of the offering and the offering price, and the denominations in which the Debt Securities may be offered, and (vii) in the case of any Guarantee, the particular terms of such Guarantee.

The applicable prospectus supplement also will contain information, where applicable, about the material United States federal income tax considerations relating to, and any listing on a securities exchange of, the Securities covered by such prospectus supplement, not contained in this prospectus. In addition, such specific terms may include limitations on direct or beneficial ownership and restrictions on transfer of the Securities, in each case as may be appropriate to assist in maintaining our status as a real estate investment trust (a ***REIT***) for federal income tax purposes. You should read carefully this prospectus and the applicable prospectus supplement before you make your investment decision.

Our Common Stock is listed on the New York Stock Exchange (the ***NYSE***), under the symbol WPC. On November 7, 2016, the last reported sale price of the Common Stock on the NYSE was $58.80 per share.

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The Securities may be offered directly by us, through agents designated from time to time by us, or to or through underwriters or dealers. If any agents or underwriters are involved in the sale of any of the Securities, their names, and any applicable purchase price, fee, commission or discount arrangement with, between or among them, will be set forth, or will be calculable from the information set forth, in a prospectus supplement or other offering materials. See Plan of Distribution beginning on page 59. No Securities may be sold without delivery of a prospectus supplement describing the method and terms of the offering of such Securities.

Investing in our Securities involves risks. See Risk Factors beginning on page 5 of this prospectus, in the documents incorporated by reference and in any applicable prospectus supplement or free writing prospectus. This prospectus may not be used to offer or sell any Securities unless it is accompanied by the applicable prospectus supplement.

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

The date of this prospectus is November 8, 2016

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Unless otherwise stated or the context otherwise requires, references in this prospectus to W. P. Carey, we, us and our refer, collectively to W. P. Carey Inc. and its consolidated subsidiaries, including WPC Eurobond B.V.; references to the Company refer only to W. P. Carey Inc., and not to any of its subsidiaries or affiliates; and references to the WPC Finance refer only to WPC Eurobond B.V., and not to its parent or subsidiaries or affiliates.

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We have not authorized any person to give any information or to make any representations in connection with this offering, other than those contained or incorporated, or deemed to be incorporated, by reference in this prospectus and any applicable prospectus supplement or free writing prospectus, and, if given or made, such information or representations must not be relied upon as having been so authorized. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy by anyone in any jurisdiction in which such offer or solicitation is not authorized, or in which the person is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation. Neither the delivery of this prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in our affairs since the date hereof, that the information contained herein is correct as of any time subsequent to its date, or that any information incorporated, or deemed to be incorporated. by reference herein is correct as of any time subsequent to its date.

ABOUT THIS PROSPECTUS

This prospectus is part of an automatic shelf registration statement that we filed with the Securities and Exchange Commission (the ***SEC***) as a well-known seasoned issuer, as defined in Rule 405 under the Securities Act of 1933, as amended (the ***Securities Act***). By using an automatic shelf registration statement, we may, at any time and from time to time, sell the Securities described in this prospectus or in any applicable prospectus supplement in one or more offerings. The exhibits to the registration statement contain the full text of certain contracts and other important documents we have summarized in this prospectus. Since these summaries may not contain all the information that you may find important in deciding whether to purchase the Securities we offer, you should review the full text of these documents. The registration statement and the exhibits can be obtained from the SEC as indicated under the heading Where You Can Find More Information; Incorporation by Reference beginning on page 2.

This prospectus only provides you with a general description of the Securities that we may offer. Each time we sell Securities, we will provide a prospectus supplement that will contain specific information about the terms of those Securities. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with the documents incorporated, or deemed to be incorporated, by reference in this prospectus and the additional information described under the heading Where You Can Find More Information; Incorporation by Reference beginning on page 2.

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FORWARD LOOKING STATEMENTS

This prospectus and the documents incorporated and deemed to be incorporated by reference herein and therein contain statements that are based on our current expectations, our estimates and forecasts, our projections about our future performance, our expectations for our business, our beliefs and our management s assumptions and other matters, and are forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended (the ***Exchange Act***). These forward-looking statements include, but are not limited to: statements regarding capital markets; tenant credit quality; the general economic outlook; our expected range of adjusted funds from operations (***AFFO***); our corporate strategy; our capital structure; our portfolio lease terms; our international exposure and acquisition volume, including the effects of the United Kingdom s referendum approving an exit from the European Union; our expectations about tenant bankruptcies and interest coverage; our future economic performance and results, including our underlying assumptions regarding occupancy rate, credit ratings and possible new acquisitions and dispositions by us and for our series of non-traded publicly registered investment programs (the ***Managed Programs***); the Managed Programs, including their earnings; our ability to remain qualified for taxation as a REIT; the impact of recently issued accounting pronouncements or guidance; the amount and timing of any future dividends; our existing or future leverage and debt service obligations; our ability to sell shares under our at-the-market program and the use of any proceeds from that program; our future prospects for growth; our projected assets under management; our future capital expenditure levels; our future financing transactions; our estimates of growth; and our plans to fund our future liquidity needs. Forward-looking statements are generally identified by the words believe, project, expect, anticipate, estimate, intend, strategy, plan, may, should, will, would, will be, wil and similar expressions. Actual results could differ materially from those contemplated by these forward-looking statements as a result of many factors.

The cautionary statements under the caption Risk Factors contained in our Annual Report on Form 10-K for the year ended December 31, 2015 and in our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2016, as well as any additional information and risks that we disclose in reports that we have filed (since the filing of such reports, in each instance), with the SEC pursuant to the Exchange Act, which are incorporated, or deemed to be incorporated, by reference in this prospectus and other similar statements contained in or incorporated, or deemed to be incorporated, by reference in this prospectus and any related free writing prospectus prepared by us or on our behalf, identify important factors with respect to forward-looking statements, including certain risks and uncertainties that could cause actual results to differ materially from those contemplated by such forward-looking statements. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial also may materially and adversely affect us. Should any known or unknown risks and uncertainties develop into actual events, those developments could have a material adverse effect on our business, financial condition, liquidity, results of operations, AFFO and prospects.

In light of these risks and uncertainties, there can be no assurance that the results and events contemplated by the forward-looking statements contained in this prospectus and the documents incorporated, or deemed to be incorporated, by reference herein and therein will in fact transpire. Moreover, because we operate in a very competitive and rapidly changing environment, new risk factors are likely to emerge from time to time. Given these risks and uncertainties, potential investors are cautioned not to place undue reliance on forward-looking statements as a prediction of future results. We do not undertake any obligation to update or revise any forward-looking statements except as required by applicable law. All subsequent forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements.

WHERE YOU CAN FIND MORE INFORMATION; INCORPORATION BY REFERENCE

We are subject to the information reporting requirements of the Exchange Act, and in accordance with these requirements, we file annual, quarterly and current reports, proxy statements and other information with the SEC. Such reports, proxy statements and other information may be inspected and copied at the SEC s Public Reference Room, 100 F Street, NE, Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330. Our filings with the SEC are available to the public at the SEC s website at

http://www.sec.gov. Our filings with the SEC are also available to the public on our website at http://www.wpcarey.com. However, the contents of our website are not incorporated by reference into this prospectus. We have filed this prospectus with the SEC as part of a registration statement on Form S-3. This prospectus does not contain all of the information set forth in the registration statement.

We incorporate by reference certain information from filings with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus, and any information contained in this prospectus or in any document incorporated, or deemed to be incorporated, by reference in this prospectus will be deemed to have been modified or superseded to the extent that a statement contained in this prospectus, or, if applicable, the accompanying prospectus supplement, or in any other document we subsequently file with the SEC that also is incorporated, or deemed to be incorporated, by reference in this prospectus, modifies or supersedes the original statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to be a part of this prospectus.

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We incorporate by reference the documents listed below and any future filings made by W. P. Carey with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act between the date of this prospectus and the termination of the offering of Securities described in this prospectus; *provided*, *however*, that we are not incorporating by reference any documents, portions of documents, exhibits or other information that is deemed to have been furnished to and not filed with the SEC:

W. P. Carey SEC Filings (File No. 001-13779)	**Period and/or Date Filed**
Annual Report of W. P. Carey on Form 10-K	Fiscal Year ended December 31, 2014, filed on March 2, 2015 (and as amended on March 17, 2015) and Fiscal Year ended December 31, 2015, filed on February 26, 2016
Current Reports on Form 8-K	Filed on the following dates: January 22, 2016, February 10, 2016, April 4, 2016, June 22, 2016, September 7, 2016, September 12, 2016, September 21, 2016, September 22, 2016, and October 11, 2016
Definitive Proxy Statement on Schedule 14A	Filed on April 28, 2016
Definitive Additional Materials on Schedule 14A	Filed on April 28, 2016
Quarterly Reports on Form 10-Q	For the quarter ended March 31, 2016, filed on May 5, 2016; for the quarter ended June 30, 2016, filed on August 4, 2016 and for the quarter ended September 30, 2016, filed on November 3, 2016

You may request a copy of any documents incorporated by reference in this prospectus and any accompanying prospectus supplement, at no cost, by writing or telephoning us at the following address and telephone number:

W. P. Carey Inc.
Attention: Investor Relations
50 Rockefeller Plaza
New York, New York 10020
Tel: 212-492-1100

Exhibits to the filings will not be sent, however, unless those exhibits have specifically been incorporated by reference into this prospectus and any accompanying prospectus supplement.

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THE REGISTRANTS

W. P. Carey Inc.

W. P. Carey is an internally-managed REIT and a leading global owner and manager of commercial properties, primarily net leased to companies on a long-term basis. As of September 30, 2016, we owned a diversified global investment portfolio that included full or partial ownership interests in 910 net-leased properties and a weighted average remaining lease term of 9.4 years.

Our owned real estate portfolio is diversified by property type, tenant, geographic location and tenant industry. It is comprised primarily of single-tenant industrial, warehouse, office and retail facilities that are essential to our corporate tenants operations. We have 222 corporate tenants that operate in a wide variety of business sectors, providing additional diversification to the portfolio. As of September 30, 2016, approximately two-thirds of our contractual minimum annualized base rent was from properties located in the United States and approximately one-third was from properties located outside the United States, primarily in Western and Northern Europe. Our European portfolio consisted of 357 net leased properties located in 12 countries, with the largest concentrations in Germany, France, the United Kingdom, Spain and Finland.

Most of our net leases specify a base rent with scheduled rent increases (either fixed or tied to inflation) and require the tenant to pay substantially all of the costs associated with operating and maintaining the property. We actively manage our real estate portfolio to try to mitigate risk with respect to changes in tenant credit quality and the likelihood of lease renewal.

In addition to the lease revenues from our owned real estate portfolio, we earn fee revenue by advising the Managed Programs through our investment management business. As of September 30, 2016, we managed approximately $12.2 billion of total assets on behalf of the Managed Programs.

Our shares of Common Stock are listed on the NYSE under the symbol WPC. Headquartered in New York, we also have offices in Amsterdam, Dallas and London. At September 30, 2016, we employed 283 individuals globally. Our principal executive offices are located at 50 Rockefeller Plaza, New York, New York 10020. Our telephone number is (212) 492-1100. Investors can find press releases, financial filings and other information about us on our website at http://www.wpcarey.com. However, the contents of our website are not incorporated by reference into this prospectus.

WPC Eurobond B.V.

WPC Finance is an indirect, 100%-owned subsidiary of the Company. Its telephone number is +31 (0)20 333 1450. WPC Finance is a finance subsidiary and currently has no assets, operations, revenues or cash flows, other than those relating to the issuance of the WPC Finance Debt Securities being registered that are guaranteed by the Company. WPC Finance is incorporated under Dutch law as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), with its corporate seat in Amsterdam, the Netherlands and office address at Strawinskylaan 741, Tower C, 7th Floor, 1077 XX Amsterdam, the Netherlands, registered with the Trade Register under number 67078028.

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RISK FACTORS

Investing in our Securities involves risks. In evaluating an investment in our Securities, you should carefully consider the risk factors incorporated by reference to our most recent Annual Report on Form 10-K, any subsequent Quarterly Reports on Form 10-Q or Current Reports on Form 8-K that we file after the date of this prospectus, and all other information contained or incorporated by reference into this prospectus, as updated by our subsequent filings under the Exchange Act, and the risk factors and other information contained in the applicable prospectus supplement before acquiring any of such Securities. The risks and uncertainties included or incorporated, or deemed to be incorporated, by reference in this prospectus are those that we currently believe may materially affect our company. Additional risks not presently known or that are currently deemed immaterial could also materially and adversely affect our business, financial condition, liquidity, results of operations, AFFO and prospects. The realization of any of these risks could have a material adverse effect on our business, financial condition, liquidity, results of operations, AFFO and prospects as well as our ability to service our existing and future indebtedness. The occurrence of any of these risks might cause you to lose all or part of your investment in the offered Securities. Please also refer to the section above entitled Forward Looking Statements.

USE OF PROCEEDS

Unless otherwise indicated in an applicable prospectus supplement, we intend to use the net proceeds from the sale of the Securities offered by us for working capital and other general business purposes, which may include, among other things, the repayment, redemption or refinancing of all or a portion of any indebtedness or other securities outstanding at a particular time, acquisitions, investments, share repurchases and capital expenditures. We may provide additional information on the use of the net proceeds from the sale of securities in an applicable prospectus supplement. Pending the application of the net proceeds, we may invest the proceeds in short-term, interest-bearing instruments or other investment-grade Securities.

RATIO OF EARNINGS TO FIXED CHARGES

For purposes of calculating the ratio of earnings to fixed charges, the term earnings is the amount resulting from adding (i) pre-tax income from continuing operations, (ii) fixed charges, (iii) distributed income of equity investments, and (iv) amortization of capitalized interest, reduced by (i) equity in earnings of equity method investments and (ii) pre-tax income from continuing operations attributable to noncontrolling interests that have not incurred fixed charges. Fixed charges consist of (i) interest expensed and capitalized, (ii) amortized premiums, discounts, and capitalized expenses related to indebtedness, and (iii) an estimate of the interest within rental expense.

	Nine months ended September 30,	Years ended December 31,				
	2016	2015	2014	2013	2012	2011
Ratio of earnings to fixed charges	2.53	2.10	2.24	1.74	2.45	8.95

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DESCRIPTION OF CAPITAL STOCK

The following contains a summary of certain material provisions of the W. P. Carey s Articles of Amendment and Restatement (as amended, the ***Charter*** *) and W. P. Carey s Third Amended and Restated Bylaws (as amended, the* ***Bylaws*** *) relating to the shares of our Common Stock that are incorporated by reference into this Prospectus. The following description of the shares of Common Stock does not purport to be complete and is qualified in its entirety by reference to the Charter and Bylaws.*

General

Our Charter provides that we have authority to issue 500,000,000 shares of Capital Stock, consisting of 450,000,000 shares of Common Stock, $0.001 par value per share, and 50,000,000 shares of Preferred Stock, $0.001 par value per share. A majority of our entire board of directors, without any action by our stockholders, may amend our Charter from time to time to increase or decrease the aggregate number of shares of our capital stock or the number of shares of our capital stock of any class or series that we have authority to issue.

Common Stock

Subject to the provisions of our Charter restricting the transfer and ownership of shares of our stock, each outstanding share of Common Stock entitles the holder to one vote on all matters submitted to a vote of stockholders, including one vote for each director to be elected in the election of directors, and, except as provided with respect to any other class or series of shares of our stock, the holders of our Common Stock possess exclusive voting power. There is no cumulative voting in the election of directors, which means that the holders of a majority of the outstanding shares of Common Stock can elect all of the directors then standing for election (and the holders of the remaining shares will not be able to elect any directors).

In accordance with Maryland law, a Maryland corporation generally cannot dissolve, amend its charter, merge, sell all or substantially all of its assets, engage in a share exchange or engage in similar transactions outside the ordinary course of business unless declared advisable by the board of directors and approved by the affirmative vote of stockholders entitled to cast at least two-thirds of all votes entitled to be cast on the matter, unless a lesser percentage (but not less than a majority of all the votes entitled to be cast on the matter) is set forth in the corporation s charter. Our Charter requires the affirmative vote of the holders of not less than a majority of all of the votes entitled to be cast on the matter to approve such matters, except that any amendment to the sections of the Charter concerning the removal of directors, restrictions on transfer and ownership of shares, and the voting requirements for the amendment of such provisions must be declared advisable by the board of directors and approved by the affirmative vote of stockholders entitled to cast at least two-thirds of all the votes entitled to be cast on the matter.

Maryland law permits the merger of a 90% or more owned subsidiary with or into its parent without stockholder approval provided (i) the charter of the successor is not amended other than in certain minor respects and (ii) the contract rights of any stock of the successor issued in the merger in exchange for stock of the other corporation are identical to the contract rights of the stock for which it is exchanged. Also, because Maryland law may not require the stockholders of a parent corporation to approve a merger or sale of all or substantially all of the assets of a subsidiary entity, including where a substantial number of operating assets are held by the subsidiary, as in our situation, our subsidiaries may be able to merge or sell all or substantially all of their assets without a vote of our stockholders.

Holders of shares of our Common Stock are entitled to receive distributions paid ratably on the Common Stock if and when authorized by our board of directors and declared by us out of assets legally available for the payment of distributions. They also are entitled to share ratably in our assets legally available for distribution to our stockholders in the event of our liquidation, dissolution or winding up, after payment of or adequate provision has been made for all of our known debts and liabilities. These rights are subject to the preferential rights in respect of distributions or upon liquidation, dissolution or winding up of any other class or series of our stock that we may subsequently classify or reclassify, and to the provisions of our Charter regarding restrictions on transfer and ownership of our stock.

Holders of shares of our Common Stock generally have no appraisal, preference, conversion, exchange, sinking fund, redemption or preemptive rights to subscribe for any of our Securities, except as may be provided under the terms of any class or series of stock that we may subsequently classify or reclassify. Subject to the restrictions on transfer and ownership of stock contained in our Charter and the rights of any other class or series of stock that we may subsequently classify or reclassify, each share of Common Stock has equal distribution, liquidation and other rights.

We may offer additional shares of our Common Stock for sale, in which case, we will describe the aggregate number of shares of Common Stock offered and the offering price or prices of the shares in a prospectus supplement.

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Preferred Stock; Power to Reclassify Shares of Our Stock

Our Charter authorizes our board of directors to classify any unissued shares of Common Stock or Preferred Stock and to reclassify any previously classified, but unissued, shares of Common Stock or Preferred Stock into one or more classes or series of stock. Prior to the issuance of shares of any class or series of stock, our board of directors is required by Maryland law and our Charter to fix the terms, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications and terms or conditions of redemption for each class or series of stock, in all cases, subject to the restrictions on transfer and ownership set forth in our Charter. Therefore, our board of directors could authorize the issuance of shares of Common Stock or Preferred Stock with terms and conditions that could have the effect of delaying, deferring or preventing a transaction or a change of control of our company that might involve a premium price for you or otherwise be in your best interests.

We may sell shares of Preferred Stock in one or more class or series. In a prospectus supplement, we will describe the specific designation; the aggregate number of shares offered; the dividend rate or manner of calculating the dividend rate; the dividend periods or manner of calculating the dividend periods; the ranking of the shares of the series with respect to dividends; liquidation and dissolution; the stated value of the shares of the series; the voting rights of the shares of the series; if any, whether and on what terms the shares of the series will be convertible or exchangeable; whether and on what terms we can redeem the shares of the series; whether we will list the shares of Preferred Stock on a securities exchange and any other specific terms of the class or series of Preferred Stock.

Power to Increase or Decrease Authorized Stock and Issue Additional Shares of Common Stock and Preferred Stock

Our board of directors has the power (i) to amend our Charter from time to time to increase or decrease the aggregate number of shares of our stock or the number of shares of stock of any class or series that we have authority to issue, (ii) to issue additional shares of Common Stock or Preferred Stock and (iii) to classify unissued shares of our Common Stock or Preferred Stock or reclassify any previously classified, but unissued, shares of Common Stock or Preferred Stock into other classes or series of stock, and thereafter to issue the classified or reclassified shares of stock. We believe this ability provides us with increased flexibility in structuring possible future financings and acquisitions and in meeting other needs that might arise. The additional classes or series of stock, as well as our Common Stock, are available for issuance without further action by our stockholders (unless stockholder action is required by applicable law, or the rules of any stock exchange on which our securities may be listed, or the terms of any classes or series of stock that we may subsequently classify or reclassify). Although our board of directors does not currently intend to do so, it could authorize us to issue a class or series of Common Stock or Preferred Stock that could, depending upon the terms of the particular class or series, delay, defer or prevent a transaction or a change in control of our company that might involve a premium price for you or otherwise be in your best interests.

Restrictions on Ownership and Transfer

Our Charter provides that our board of directors may decide whether it is in the best interests of our company to qualify and maintain status as a REIT under the Internal Revenue Code, as amended (the ***Code***). In order to qualify as a REIT under the Code, our shares of stock must be beneficially owned by 100 or more persons during at least 335 days of a taxable year of 12 months, or during a proportionate part of a shorter taxable year. Also, no more than 50% of the value of our outstanding shares of stock may be owned, directly or indirectly, by five or fewer individuals (as defined by the Code to include certain entities) during the last half of any taxable year. Neither the requirement to be held by 100 or more persons or the provision disallowing ownership by five or fewer individuals apply to the first taxable year of a REIT.

To help us qualify as a REIT, among other purposes, our Charter, contains restrictions on the number of shares of our stock that a person may own, subject to certain exceptions. Our Charter provides that generally no person may beneficially own, or be deemed to own by virtue of the attribution provisions of the Code, either (i) more than 7.9% in value or in number of shares, whichever is more restrictive, of the aggregate outstanding shares of our stock excluding any outstanding shares of our stock not treated as outstanding for federal income tax purposes, or (ii) more than 7.9% in value or in number of shares, whichever is more restrictive, of the aggregate outstanding shares of our Common Stock, excluding any outstanding shares of Common Stock not treated as outstanding for federal income tax purposes.

Our Charter also prohibits any person from (i) beneficially or constructively owning shares of our stock that would result in our being closely held under Section 856(h) of the Code; (ii) transferring shares of our stock if such transfer would result in our stock being beneficially owned by fewer than 100 persons; (iii) beneficially or constructively owning shares of our stock that would cause us to own, directly or indirectly; 10% or more of the ownership interests in a tenant of our company (or a tenant of any entity owned or controlled by us); (iv) beneficially or constructively owning shares of our stock that would cause any independent contractor to not be treated as such under Section 856(d)(3) of the Code; or (v) beneficially or constructively owning shares of stock that will otherwise cause us to fail to qualify as a REIT. Any person who (i) acquires or attempts or intends to acquire beneficial or constructive ownership of shares of our stock that will or may violate any of the foregoing restrictions on transferability and ownership, or (ii) who would have owned shares of our stock that resulted in a transfer of shares to a charitable trust (as described below), will be required to (A) give written notice immediately to us, or in the case of a proposed or attempted transaction, to give at least 15 days prior written

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notice to us, and (B) provide us with such other information as we may request in order to determine the effect of such transfer on our status as a REIT. The foregoing restrictions on transferability and ownership will not apply if our board of directors determines that it is no longer in our best interests to continue to qualify as a REIT or that compliance is no longer required for us to qualify as a REIT.

Our board of directors, in its sole discretion, may exempt (prospectively or retroactively) a person from the above ownership limits and the restrictions described in clauses (iii) and (iv) above. However, the board of directors may not grant an exemption to any person unless the board of directors obtains such representations, covenants and undertakings as the board of directors may deem appropriate in order to determine that granting the exemption would not result in losing our status as a REIT. As a condition of granting the exemption, our board of directors may require a ruling from the IRS or an opinion of counsel, in either case in form and substance satisfactory to the board of directors in its sole discretion, in order to determine or ensure our status as a REIT.

Our board of directors may increase or decrease the Common Stock ownership limit and/or the aggregate stock ownership limit so long as the change would not result in five or fewer persons beneficially owning more than 49.9% in value of our outstanding stock. Any decrease in the Common Stock ownership limit and/or the aggregate stock ownership limit shall not apply to any person whose percentage ownership of stock is in excess of the decreased ownership limits, until such time as such person s percentage ownership of stock equals or falls below the decreased ownership limits. Absent an exemption from the ownership limits, any further acquisition of shares of our stock by such person will be in violation of the ownership limits, unless and until such person s percentage ownership of stock falls below the ownership limit (in which case such person may acquire shares up to such ownership limits).

Pursuant to our Charter, if any transfer of our shares of stock occurs that, if effective, would result in any person beneficially or constructively owning shares of stock in excess, or in violation, of the above ownership limitations or restrictions on transfer (a ***Prohibited Owner***), then that number of shares of stock, the beneficial or constructive ownership of which would otherwise cause such person to violate the ownership limitations or restrictions on transfer (rounded up to the nearest whole share), will be automatically transferred to a charitable trust for the exclusive benefit of a charitable beneficiary and the Prohibited Owner will not acquire any rights in such shares. This automatic transfer will be considered effective as of the close of business on the business day before the violative transfer. If the transfer to the charitable trust would not be effective for any reason to prevent the violation of the above transfer or ownership limitations, then the transfer of that number of shares of stock that would otherwise cause any person to violate the above limitations will be null and void. Shares of stock held in the charitable trust will continue to constitute issued and outstanding shares of our stock. The Prohibited Owner will not benefit economically from ownership of any shares of stock held in the charitable trust, will have no rights to distributions and will not possess any rights to vote or other rights attributable to the shares of stock held in the charitable trust. The trustee of the charitable trust will be designated by us and must be unaffiliated with us or any Prohibited Owner and will have all voting rights and rights to distributions with respect to the shares of stock held in the charitable trust, and these rights will be exercised for the exclusive benefit of the trust s charitable beneficiary. Any dividend or other distribution paid before our discovery that shares of stock have been transferred to the trustee will be paid by the recipient of such dividend or distribution to the trustee upon demand, and any dividend or other distribution authorized but unpaid will be paid when due to the trustee. Any dividend or distribution so paid to the trustee will be held in trust for the trust s charitable beneficiary. The Prohibited Owner will have no voting rights with respect to shares of stock held in the charitable trust, and, subject to Maryland law, effective as of the date that such shares of stock have been transferred to the trustee, the trustee, in its sole discretion, will have the authority to:

- rescind as void any vote cast by a Prohibited Owner prior to our discovery that such shares have been transferred to the trustee; and

- recast such vote in accordance with the desires of the trustee acting for the benefit of the trust s beneficiary.

However, if we have already taken irreversible corporate action, then the trustee will not have the authority to rescind and recast such vote.

Within 20 days of receiving notice from us that shares of stock have been transferred to the charitable trust, and unless we buy the shares first as described below, the trustee will sell the shares of stock held in the charitable trust to a person, designated by the trustee, whose ownership of the shares will not violate the ownership limitations in our Charter. Upon the sale, the interest of the charitable beneficiary in the shares sold will terminate and the trustee will distribute the net proceeds of the sale to the Prohibited Owner and to the charitable beneficiary. The Prohibited Owner will receive the lesser of:

- the price paid by the Prohibited Owner for the shares or, if the Prohibited Owner did not give value for the shares in connection with the event causing the shares to be held in the charitable trust (for example, in the case of a gift or devise), the market price of the shares on the day of the event causing the shares to be held in the charitable trust; and

- the price per share received by the trustee from the sale or other disposition of the shares held in the charitable trust (less any commission and other expenses of a sale).

The trustee may reduce the amount payable to the Prohibited Owner by the amount of dividends and other distributions paid to the Prohibited Owner and owed by the Prohibited Owner to the trustee. Any net sale proceeds in excess of the amount payable to the

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Prohibited Owner will be paid immediately to the charitable beneficiary. If, before our discovery that shares of stock have been transferred to the charitable trust, such shares are sold by a Prohibited Owner, then:

- such shares will be deemed to have been sold on behalf of the charitable trust; and

- to the extent that the Prohibited Owner received an amount for such shares that exceeds the amount that the Prohibited Owner was entitled to receive as described above, the excess must be paid to the trustee upon demand.

In addition, shares of stock held in the charitable trust will be deemed to have been offered for sale to us, or our designee, at a price per share equal to the lesser of:

- the price per share in the transaction that resulted in such transfer to the charitable trust (or, in the case of a gift or devise, the market price at the time of the gift or devise); and

- the market price on the date we, or our designee, accept such offer.

We may reduce the amount payable to the Prohibited Owner by the amount of dividends and other distributions paid to the Prohibited Owner and owed by the Prohibited Owner to the trustee. We may pay the amount of such reduction to the trustee for the benefit of the charitable beneficiary. We will have the right to accept the offer until the trustee has sold the shares of stock held in the charitable trust. Upon such a sale to us, the interest of the charitable beneficiary in the shares sold will terminate, the trustee will distribute the net proceeds of the sale to the Prohibited Owner and any distributions held by the trustee will be paid to the charitable beneficiary.

All certificates, if any, representing shares of our stock will bear a legend referring to the restrictions described above.

Every owner of more than 5% (or such lower percentage as required by the Code or the regulations promulgated thereunder) in value of the outstanding shares of our stock, within 30 days after the end of each taxable year, must give written notice to us stating the name and address of such owner, the number of shares of each class and series of shares of our stock that the owner beneficially owns, and a description of the manner in which the shares are held. Each such owner must also provide to us such additional information as we may request in order to determine the effect, if any, of the owner s beneficial ownership on our status as a REIT and to ensure compliance with our ownership limitations. In addition, each of our stockholders, whether or not an owner of 5% or more of our stock, must, upon demand, provide to us such information as we may request, in good faith, in order to determine our status as a REIT and to comply with the requirements of any taxing authority or governmental authority or to determine such compliance and to ensure our compliance with the ownership restrictions in our Charter.

The ownership and transfer limitations in our Charter could delay, defer or prevent a transaction or a change in control of us that might involve a premium price for holders of our stock or might otherwise be in the best interests of our stockholders.

Business Combinations

Maryland law prohibits business combinations between us and an interested stockholder or an affiliate of an interested stockholder for five years after the most recent date on which the interested stockholder becomes an interested stockholder. These business combinations include a merger, consolidation, share exchange, or, in circumstances specified in the statute, an asset transfer or issuance or transfer of equity securities, liquidation plan or reclassification of equity securities. Maryland law defines an interested stockholder as:

- any person or entity who beneficially owns 10% or more of the voting power of our outstanding voting stock; or

- an affiliate or associate of ours who, at any time within the two-year period immediately prior to the date in question, was the beneficial owner of 10% or more of the voting power of our then-outstanding stock.

A person is not an interested stockholder if our board of directors approves the transaction by which the person otherwise would have become an interested stockholder in advance. However, in approving a transaction, our board of directors may provide that its approval is subject to compliance, at or after the time of approval, with any terms and conditions determined by our board of directors.

After the five-year prohibition and in addition to any vote otherwise required by Maryland law and our Charter, any business combination between us and an interested stockholder or an affiliate of an interested stockholder generally must be recommended by our board of directors and approved by the affirmative vote of stockholders entitled to cast at least:

- 80% of the votes entitled to be cast by holders of our then-outstanding shares of voting stock; and

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- two-thirds of the votes entitled to be cast by holders of our voting stock, other than stock held by the interested stockholder with whom or with whose affiliate the business combination is to be effected or stock held by an affiliate or associate of the interested stockholder.

These super-majority vote requirements do not apply if our common stockholders receive a minimum price, as defined under Maryland law, for their shares in the form of cash or other consideration in the same form as previously paid by the interested stockholder for its stock.

The statute permits various exemptions from its provisions, including business combinations that are approved or exempted by the board of directors before the time that the interested stockholder becomes an interested stockholder.

Pursuant to the statute, our board of directors, by resolution, has exempted any business combinations between us and any person who is an existing, or becomes in the future an, interested stockholder. Consequently, the five-year prohibition and the supermajority vote requirements will not apply to business combinations between us and any such person. As a result, such persons may be able to enter into business combinations with us that may not be in the best interest of our stockholders, without compliance with the super-majority vote requirements and the other provisions of the statute. Additionally, this resolution may be altered, revoked or repealed in whole or in part at any time and we may opt back into the business combination provisions of the Maryland General Corporation Law (the ***MGCL***). If this resolution is revoked or repealed, the statute may discourage others from trying to acquire control of us and increase the difficulty of consummating any offer.

Control Share Acquisitions

Maryland law provides that holders of control shares of a Maryland corporation acquired in a control share acquisition have no voting rights, except to the extent approved by the affirmative vote of stockholders entitled to cast at least two-thirds of the votes entitled to be cast on the matter. Shares owned by the acquiror or by officers or by employees who are also our directors are excluded from the shares entitled to vote on the matter. Control shares are voting shares of stock that, if aggregated with all other shares of stock currently owned by the acquiring person, or in respect of which the acquiring person is able to exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquiring person to exercise voting power in electing directors within one of the following ranges of voting power:

- one-tenth or more but less than one-third;

- one-third or more but less than a majority; or

- a majority or more of all voting power.

Control shares do not include shares the acquiring person is then entitled to vote as a result of having previously obtained stockholder approval. A control share acquisition means the acquisition of issued and outstanding control shares, subject to certain exceptions. A person who has made or proposes to make a control share acquisition may compel our board of directors to call a special meeting of stockholders to be held within 50 days of the demand to consider the voting rights of the shares. The right to compel the calling of a special meeting is subject to the satisfaction of certain conditions, including an undertaking to pay the expenses of the meeting. If no request for a meeting is made, we may present the question of the voting rights of the shares at any stockholders meeting.

If voting rights are not approved at the stockholders meeting or if the acquiring person does not deliver the statement required by Maryland law, then, subject to certain conditions and limitations, we may redeem any or all of the control shares for fair value, except those for which voting rights have previously been approved. Fair value is determined, without regard to the absence of voting rights for the control shares, as of the date of the last control share acquisition by the acquiror or of any meeting of stockholders at which the voting rights of the shares were considered and not approved. If voting rights for control shares are approved at a stockholders meeting and the acquiror becomes entitled to vote a majority of the shares entitled to vote, all other stockholders may exercise appraisal rights. The fair value of the shares for purposes of these appraisal rights may not be less than the highest price per share paid by the acquiror in the control share acquisition. The control share acquisition statute does not apply to shares acquired in a merger, consolidation or share exchange if we are a party to the transaction, nor does it apply to acquisitions approved by or exempted by our Charter or Bylaws.

Our Bylaws contain a provision exempting from the control share acquisition statute any and all acquisitions by any person of our stock and, consequently, the control share acquisition statute will not apply to us unless our board of directors later amends our Bylaws to modify or eliminate this provision, which it may do without stockholder approval, and which it may make effective prospectively or retrospectively.

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Maryland Unsolicited Takeovers Act

Subtitle 8 of Title 3 of the MGCL permits a Maryland corporation with (i) a class of equity securities registered under the Exchange Act and (ii) at least three independent directors, to elect to be subject, by provision in its charter or bylaws or a resolution of its board of directors and notwithstanding any contrary provision in the charter or bylaws, to any or all of five provisions:

- a classified board;
- a two-thirds vote requirement for removing a director;
- a requirement that the number of directors be fixed only by vote of directors;
- a requirement that a vacancy on the board of directors be filled only by the remaining directors and for the remainder of the full term of the directorship in which the vacancy occurred; and
- a majority requirement for the calling of a special meeting of stockholders.

In our Charter, we have elected under Section 3-804(c) of the MGCL that vacancies on our board of directors be filled only by the remaining directors, even if the remaining directors do not constitute a quorum, and for the remainder of the full term of the directorship in which the vacancy occurred. In January 2015, our board of directors resolved to opt out of Section 3-803 of the MGCL, permitting our directors to elect a classified board pursuant to Title 3, Subtitle 8 of the MGCL. Consistent with the MGCL, we filed Articles Supplementary to our Charter relating to this resolution with the State Department of Assessments and Taxation of Maryland on January 27, 2015. Any amendment or repeal of this resolution must be approved in the same manner as an amendment to our Charter.

Through provisions in our Charter and Bylaws unrelated to Subtitle 8 of Title 3 of the MGCL, we (i) require the affirmative vote of the stockholders entitled to cast at least two-thirds of all votes entitled to be cast generally in the election of directors for the removal of any director from the board of directors, (ii) vest in the board of directors the exclusive power to fix the number of directorships and (iii) provide that unless called by the Chairman of our board of directors, our President, our Chief Executive Officer or our board of directors, a special meeting of stockholders may only be called by our Secretary upon the written request of (and satisfaction of certain procedural and information requirements by) the stockholders entitled to cast not less than a majority of all the votes entitled to be cast on any matter that may be properly considered at the meeting.

Transfer Agent and Registrar

The transfer agent and registrar for our Common Stock is Computershare Investor Services.

Authorized but Unissued Capital Stock

The listing requirements of the NYSE, which applies so long as our shares of Common Stock are listed on the NYSE, require stockholder approval of certain issuances equal to or exceeding 20% of the then-outstanding voting power or then-outstanding number of shares of our Common Stock.

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DESCRIPTION OF DEPOSITARY SHARES

We may issue Depositary Shares, each of which will represent a fractional interest in a share of a particular class or series of our Preferred Stock, as specified in the applicable prospectus supplement. Shares of a class or series of Preferred Stock represented by Depositary Shares will be deposited under a separate deposit agreement that we will enter into with a bank or trust company named therein, as depositary (such depositary receipts will evidence the Depositary Shares). Subject to the terms of the deposit agreement, each owner of a depositary receipt will be entitled, in proportion to the fractional interest in a share of a particular class or series of Preferred Stock represented by the Depositary Shares evidenced by that depositary receipt, to the rights and preferences of, and will be subject to the limitations and restrictions on, the class or series of Preferred Stock represented by those Depositary Shares (including, if applicable, dividend, voting, conversion, redemption and liquidation rights).

Some of the particular terms of the Depositary Shares offered by the applicable prospectus supplement, as well as some of the terms of the related deposit agreement, will be described in the prospectus supplement, which may also include a discussion of certain U.S. federal income tax consequences.

Copies of the applicable form of deposit agreement and depositary receipt will be filed with the SEC as an exhibit to, or incorporated by reference in, the registration statement of which this prospectus is a part. The statements in this prospectus relating to any deposit agreement, the depositary receipts to be issued thereunder and the related Depositary Shares are summaries of certain anticipated provisions thereof and do not purport to be complete and are subject to, and qualified in their entirety by reference to, all of the provisions of the applicable deposit agreement and related depositary receipts. Accordingly, you should read the form of deposit agreement and depositary receipt in their entirety before making an investment decision.

In a prospectus supplement, we will describe the particular combination of Securities constituting any Depositary Shares and any other specific terms.

DESCRIPTION OF STOCK PURCHASE CONTRACTS

AND STOCK PURCHASE UNITS

The following summarizes the general terms of stock purchase contracts and stock purchase units that we may issue. The particular terms of any stock purchase contracts or stock purchase units that we offer will be described in the applicable prospectus supplement. This description is subject to the stock purchase contracts, and any collateral arrangements and depositary arrangements, relating to the stock purchase contracts or stock purchase units.

We may issue stock purchase contracts, including contracts obligating holders to purchase from us, and obligating us to sell to the holders, a specified number of shares of Common Stock or Preferred Stock at a future date or dates. We may fix the consideration per share of our Common Stock or Preferred Stock at the time we issue the stock purchase contracts, or the consideration may be determined by referring to a specific formula stated in the stock purchase contracts. We may issue the stock purchase contracts separately or as part of stock purchase units

consisting of a stock purchase contract and Company Debt Securities, preferred securities, Warrants or debt obligations of third parties, including U.S. Treasury securities, which 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 the stock purchase units or vice versa. These payments may be unsecured or prefunded on some basis. The stock purchase contracts may require holders to secure their obligations in a specified manner.

In a prospectus supplement, we will describe the particular combination of Securities constituting any Purchase Agreement and any other specific terms.

DESCRIPTION OF WARRANTS

We may issue separately, or together with shares of our Preferred Stock or Common Stock offered by any prospectus supplement, Warrants for the purchase of additional shares of Preferred Stock or Common Stock. The Warrants may be issued under warrant agreements to be entered into between us and a bank or trust company, as warrant agent, and may be represented by certificates evidencing the Warrants, all as set forth in the applicable prospectus supplement relating to the particular series of Warrants.

The following summaries of certain provisions of the Warrants are not complete and are subject to, and are qualified in their entirety by reference to, all the provisions of any related Warrant agreement and Warrant certificate, which will be filed with the SEC as an exhibit to, or incorporated by reference in, the registration statement of which this prospectus is a part. A prospectus supplement will describe the terms of the Warrants in respect to which this prospectus is being delivered including, where applicable, the following:

- the title of the Warrants;

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- the aggregate number of the Warrants;

- the price or prices at which the Warrants will be issued;

- the designation, terms and number of shares of our Common Stock or Preferred Stock that may be purchased upon exercise of the Warrants;

- the designation and terms of the Securities, if any, with which the Warrants are issued and the number of the Warrants issued with each such offered Security;

- the date, if any, on and after which the Warrants and related shares of our Common Stock or Preferred Stock with which the Warrants are issued will be separately transferable;

- the price (or manner of calculation of the price) at which each share of our Common Stock or Preferred Stock may be purchased upon exercise of the Warrant;

- the date on which the right to exercise the Warrants will commence and the date on which the right will expire;

- the minimum or maximum amount of the Warrants that may be exercised at any one time;

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

- a discussion of material federal income tax considerations; and

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

The exercise of any Warrants will be subject to, and limited by, the transfer and ownership restrictions in our Charter. See Description of Capital Stock Restriction on Ownership and Transfer.

We may sell Warrants to purchase our Common Stock or Preferred Stock. In a prospectus supplement, we will inform you of the exercise price and other specific terms of the Warrants, including whether our or your obligations, if any, under any Warrants may be satisfied by delivering or purchasing the underlying Securities or their cash value.

DESCRIPTION OF COMPANY DEBT SECURITIES

The Company Debt Securities will be issued in one or more series under an indenture, to be entered into between the Company and U.S. Bank National Association, as trustee. References herein to the ***Company Indenture*** refer to such indenture and references to the ***Trustee*** in this Description of Company Debt Securities refer to such trustee or any other trustee for any particular series of Company Debt Securities issued under the Company Indenture. The terms of the Company Debt Securities of any series will be those specified in or pursuant to the Company Indenture and in the applicable Company Debt Securities of that series and those made part of the Company Indenture by the Trust Indenture Act of 1939, as amended (the ***Trust Indenture Act***).

The following description of Company Debt Securities describes general terms and provisions of the series of Company Debt Securities to which any prospectus supplement may relate. When the Company Debt Securities of a particular series are offered for sale, the specific terms of such Company Debt Securities will be described in the applicable prospectus supplement. If any terms of such Company Debt Securities described in a prospectus supplement are inconsistent with any of the terms of the Company Debt Securities generally described in this prospectus, then the terms described in the applicable prospectus supplement will supersede the terms described in this prospectus.

The following description of selected provisions of the Company Indenture and the Company Debt Securities is not complete, and the description of selected terms of the Company Debt Securities of a particular series included in the applicable prospectus supplement also will not be complete. You should review the form of the Company Indenture and the form of the applicable Company Debt Securities, which forms have been or will be filed as exhibits to the registration statement of which this prospectus is a part or as exhibits to documents that have been or will be incorporated by reference in this prospectus. To obtain a copy of the form of the Company Indenture or the form of the applicable Company Debt Securities, see Where You Can Find More Information; Incorporation by Reference in this prospectus. The following description of Company Debt Securities and the description of the Company Debt Securities of a particular series in the applicable prospectus supplement are qualified in their entirety by reference to all of the provisions of the Company Indenture and the applicable Company Debt Securities, which provisions, including defined terms, are, or will be, incorporated by reference in this prospectus, and to those made part of the Company Indenture by the Trust

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Indenture Act. Capitalized terms used but not defined in the following description shall have the meanings assigned to those terms in the Company Indenture or, if applicable, the Company Debt Securities.

The Company Debt Securities will be obligations solely of the Company and will not be obligations of, or directly or indirectly guaranteed by, any of its subsidiaries or any other entity. Accordingly, the Company Debt Securities are structurally subordinated to the liabilities of, and any preferred equity in, its subsidiaries and, as a result, the Company s right to participate as a common equity holder of a subsidiary in any distribution of assets of such subsidiary upon such subsidiary s liquidation or otherwise, and thus the ability of the holders of the Company Debt Securities to benefit from such distribution, is junior to creditors and any preferred equity holders of such subsidiary, except to the extent that any claims the Company may have as a creditor or preferred equity holder of such subsidiary are recognized. The Company may also guarantee obligations of its direct or indirect subsidiaries. Any liability the Company may have for its subsidiaries obligations could reduce its assets that are available to satisfy its direct creditors, including holders of the Company Debt Securities. In addition, the Company Debt Securities will rank junior to the Company s secured debt to the extent of the value of the collateral security securing the same.

General

The Company Debt Securities will constitute the unsecured and unsubordinated obligations of the Company and will rank on parity in right of payment among themselves and with all of the Company s other existing and future unsecured and unsubordinated indebtedness. The Company may issue an unlimited principal amount of the Company Debt Securities under the Company Indenture. The Company Indenture provides that the Company Debt Securities of any series may be issued up to the aggregate principal amount that may be authorized from time to time by the Company. Please read the applicable prospectus supplement relating to the Company Debt Securities of the particular series being offered thereby for selected terms of such Company Debt Securities, including, without limitation, where applicable:

- the title of such series of the Company Debt Securities;
- the aggregate principal amount of the Company Debt Securities of such series and any limit thereon;
- the date or dates on which the Company will pay the principal of, and premium, if any, on, the Company Debt Securities of such series, or the method or methods, if any, used to determine such date or dates;
- the rate or rates, which may be fixed or variable, at which the Company Debt Securities of such series will bear interest, if any, or the method or methods, if any, used to determine such rate or rates;
- the basis used to calculate interest, if any, on the Company Debt Securities of such series if other than a 360-day year of twelve 30-day months;

- the date or dates, if any, from which interest on the Company Debt Securities of such series will accrue, or the method or methods, if any, used to determine such date or dates;

- the date or dates, if any, on which interest on the Company Debt Securities of such series will be payable and the record dates for any such payment of interest;

- the terms and conditions, if any, upon which the Company is required to, or may, at its option, redeem the Company Debt Securities of such series;

- the terms and conditions, if any, upon which the Company will be required to repurchase the Company Debt Securities of such series at the option of holders of the Company Debt Securities of such series;

- the terms of any sinking fund or analogous provision applicable to the Company Debt Securities of such series;

- the portion of the principal amount of the Company Debt Securities of such series payable upon acceleration of the maturity thereof, if other than the full principal amount;

- the authorized denominations in which the Company Debt Securities of such series will be issued, if other than minimum denominations of $2,000 and any integral multiple of $1,000 in excess thereof;

- the place or places where (i) amounts due on the Company Debt Securities of such series will be payable, (ii) the Company Debt Securities of such series may be surrendered for registration of transfer and exchange and (iii) notices or demands to or upon the Company or the Trustee in respect of the Company Debt Securities of such series or the Company Indenture may be served, if different than the corporate trust office of the Trustee;

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- if other than U.S. dollars, the currency or currencies in which purchases of, and payments on, the Company Debt Securities of such series must be made;

- whether the amount of payments due on the Company Debt Securities of such series may be determined with reference to an index, formula, or other method or methods (any of those Company Debt Securities being referred to as Indexed Securities) and the manner used to determine those amounts;

- any addition to, modification of, or deletion of, any covenant or Event of Default (as defined below) with respect to the Company Debt Securities of such series;

- the identity of the depositary for the global Company Debt Securities if other than The Depository Trust Company and the terms of the depositary arrangement if other than as specified below;

- the circumstances under which the Company will pay additional amounts on the Company Debt Securities of such series in respect of any tax, assessment, or other governmental charge (***Additional Amounts***) and whether the Company will have the option to redeem such Company Debt Securities rather than pay the Additional Amounts; and

- any other terms of the Company Debt Securities of such series.

As used in this prospectus, references to the principal of, and premium, if any, and interest, if any, on, the Company Debt Securities of a series include Additional Amounts, if any, payable on the Company Debt Securities of such series in that context.

The Company may issue the Company Debt Securities as original issue discount securities to be sold at a substantial discount below their principal amount. In the event of an acceleration of the maturity of any original issue discount security, the amount payable to the holder upon acceleration will be determined in the manner described in the applicable prospectus supplement. Important federal income tax and other considerations applicable to original issue discount securities will be described in the applicable prospectus supplement.

The terms of the Company Debt Securities of any series may be inconsistent with the terms of the Company Debt Securities of any other series. Unless otherwise specified in the applicable prospectus supplement, the Company may, without the consent of, or notice to, the holders of the Company Debt Securities of any series, reopen an existing series of the Company Debt Securities and issue additional Company Debt Securities of that series.

Other than to the extent provided in - Merger, Consolidation and Transfer of Assets below or to the extent provided with respect to the Company Debt Securities of a particular series and described in the applicable prospectus supplement, the Company Indenture will not contain any provisions that would limit the Company s ability to incur indebtedness or to substantially reduce or eliminate its consolidated assets or that would afford holders of the Company Debt Securities protection in the event of:

- a recapitalization or other highly leveraged or similar transaction involving the Company, any of its subsidiaries or affiliates or its management;

- a change of control involving the Company or its subsidiaries or affiliates; or

- a reorganization, restructuring, merger, or similar transaction involving the Company, its subsidiaries or its affiliates.

Accordingly, the Company s ability to service its indebtedness (including the Company Debt Securities) could be materially and adversely affected in the future.

Registration, Transfer, Payment and Paying Agent

Unless otherwise specified in the applicable prospectus supplement, each series of the Company Debt Securities will be issued in registered form only, without coupons.

Unless otherwise specified in the applicable prospectus supplement, the Company Debt Securities will be payable and may be surrendered for registration of transfer or exchange at an office of the Company or an agent of the Company in The City of New York. However, the Company, at its option, may make payments of interest on any interest payment date for a Company Debt Security by check mailed to the address of the person entitled to receive that payment or by wire transfer to an account maintained by the payee with a bank located in the United States.

Any interest not punctually paid, or duly provided for, on any interest payment date with respect to the Company Debt Securities of any series will forthwith cease to be payable to the holders of those Company Debt Securities on the applicable regular record date and may be paid to the persons in whose names those Company Debt Securities are registered at the close of business on a special record

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date for the payment of the interest not punctually paid or duly provided for to be fixed by the Trustee or the Company, notice whereof shall be given to the holders of those Company Debt Securities not less than 10 days prior to the special record date, or may be paid at any time in any other lawful manner, all as completely set forth in the Company Indenture.

Subject to certain limitations imposed on the Company Debt Securities issued in book-entry form, the Company Debt Securities of any series will be exchangeable for other Company Debt Securities of the same series and of a like aggregate principal amount and tenor of different authorized denominations, upon surrender of those Company Debt Securities at the designated place or places. In addition, subject to certain limitations imposed upon the Company Debt Securities issued in book-entry form, the Company Debt Securities of any series may be surrendered for registration of transfer or exchange thereof at the designated place or places if duly endorsed or accompanied by a written instrument of transfer. No service charge shall be made for any registration of transfer or exchange, redemption or repurchase of the Company Debt Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with certain of those transactions.

Unless otherwise specified in the applicable prospectus supplement, the Company will not be required to:

- issue, register the transfer of, or exchange the Company Debt Securities of any series during a period beginning at the opening of business 15 days before any selection of the Company Debt Securities of that series of like tenor and terms to be redeemed and ending at the close of business on the day of that selection;

- register the transfer of or exchange any Company Debt Security, or portion of any Company Debt Security, called for redemption, except the unredeemed portion of any Company Debt Security being redeemed in part; or

- issue, register the transfer of or exchange a Company Debt Security that has been surrendered for repurchase at the option of the holder, except the portion, if any, of the Company Debt Security not to be repurchased.

Outstanding Company Debt Securities

In determining whether the holders of the requisite principal amount of outstanding Company Debt Securities have given any request, demand, authorization, direction, notice, consent or waiver under the Company Indenture:

- the principal amount of an original issue discount security that shall be deemed to be outstanding for these purposes shall be that portion of the principal amount of the original issue discount security that would be due and payable upon acceleration of the maturity of such original issue discount security as of the date of the determination;

- the principal amount of any Indexed Security that shall be deemed to be outstanding for these purposes shall be the principal amount of the Indexed Security determined on the date of its original issuance;

- the principal amount of a Company Debt Security denominated in a currency other than U.S. Dollars shall be the U.S. dollar equivalent, determined on the date of its original issuance, of the principal amount of such Company Debt Security; and

- a Debt Security owned by the Company or any other obligor of such Company Debt Security or any affiliate of the Company or such other obligor shall be deemed not to be outstanding.

Redemption and Repurchase

The Company Debt Securities of any series may be redeemable at the Company s option or may be subject to mandatory redemption by the Company as required by a sinking fund or otherwise. In addition, the Company Debt Securities of any series may be subject to repurchase by the Company at the option of the holders thereof. The applicable prospectus supplement will describe the terms and conditions regarding any optional or mandatory redemption or optional repurchase of the Company Debt Securities of the particular series.

Merger, Consolidation and Transfer of Assets

The Company Indenture provides that the Company may not, in any transaction or series of related transactions, (i) consolidate or amalgamate with or merge into any other person or (ii) sell, lease, assign, transfer or otherwise convey all or substantially all of the assets of the Company and its subsidiaries, taken as a whole, to any other person, in each case, unless:

- in such transaction or transactions, either (i) the Company shall be the continuing person (in the case of a merger) or (ii) the successor person (if other than the Company) formed by or resulting from the consolidation, amalgamation or merger or to which such assets shall have been sold, leased, assigned, transferred or otherwise conveyed (A) is a corporation, limited liability company, partnership or trust organized and existing under the laws of the United States of America, any

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state thereof or the District of Columbia or any territory thereof, and (B) shall, by a supplemental indenture, expressly assume the due and punctual performance of all of the Company s payment and other obligations under the Company Indenture and all of the Company Debt Securities outstanding thereunder;

- immediately after giving effect to such transaction or transactions, no Event of Default under the Company Indenture, and no event which, after notice or lapse of time or both would become an Event of Default under the Company Indenture, shall have occurred and be continuing; and

- the Trustee shall have received an officer s certificate and opinion of counsel from the Company to the effect that all conditions precedent to such transaction or transactions have been satisfied.

Upon any consolidation or amalgamation by the Company with, or the Company s merger into, any other person or any sale, lease, assignment, transfer or other conveyance of all or substantially all of the assets of the Company and its subsidiaries, taken as a whole, to any person, in each case in accordance with the provisions of the Company Indenture described above, the successor person formed by the consolidation or amalgamation or into which the Company is merged or to which such sale, lease, assignment, transfer or other conveyance is made, as applicable, shall succeed to, and be substituted for, the Company and may exercise every right and power of the Company under the Company Indenture with the same effect as if such successor person had been named as the Company in the Company Indenture; and thereafter, the predecessor person shall be released from all of its obligations and covenants under the Company Indenture and the outstanding Company Debt Securities.

Events of Default

Unless otherwise specified in the applicable prospectus supplement, an Event of Default with respect to the Company Debt Securities of any series is defined in the Company Indenture as being:

i. default for 30 days in the payment of any interest on, or any Additional Amounts payable in respect of any interest on, any Company Debt Security of that series;

ii. default in payment of any principal of, or premium, if any, on, or any Additional Amounts payable in respect of any principal of, or premium, if any, on, any Company Debt Security of that series when due, whether at stated maturity, upon redemption, upon repurchase at the option of the holder or otherwise;

iii. default in the deposit of any sinking fund payment or payment under any analogous provision when due with respect to any Company Debt Security of that series;

iv. default in the performance or observance, or breach, of any covenant or other agreement of the Company in the Company Indenture or any Company Debt Security of that series not covered elsewhere in this section, other than a covenant or other agreement included in the Company Indenture solely for the benefit of a series of the Company Debt Securities other than that series, which shall not have been remedied for a period of 60 days after written notice to the Company by the Trustee or to the Company and the Trustee by the holders of at least 25% in aggregate principal amount of the Company Debt Securities of that series then outstanding;

v. default by the Company to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise), in respect of any indebtedness for money borrowed by the Company in excess of $50,000,000 principal amount, or a default under any such indebtedness resulting in the acceleration prior to the stated maturity of the principal amount of such indebtedness in excess of $50,000,000, and such indebtedness is not discharged or such acceleration is not rescinded or annulled within 30 days thereafter;

vi. specified events of bankruptcy, insolvency, or reorganization with respect to the Company or its significant subsidiaries (as defined in Regulation S-X under the Securities Act); or

vii. any other Event of Default established for the Company Debt Securities of that series.

No Event of Default with respect to any particular series of the Company Debt Securities necessarily constitutes an Event of Default with respect to any other series of the Company Debt Securities. The Trustee is required to give notice to holders of the Company Debt Securities of the applicable series within 90 days after a responsible officer of the Trustee has actual knowledge of a default relating to such Company Debt Securities.

If an Event of Default specified in clause (vi) above occurs, then the principal amount of all the outstanding Company Debt Securities and unpaid interest, if any, accrued thereon shall automatically become immediately due and payable. If any other Event of Default with respect to the outstanding Debt Securities of the applicable series occurs and is continuing, either the Trustee or the holders of at least 25% in aggregate principal amount of the Company Debt Securities of that series then outstanding may declare the principal amount of, or if the Company Debt Securities of that series are original issue discount securities such lesser amount as may be

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specified in the terms of, the Company Debt Securities of that series, and unpaid interest, if any, accrued thereon to be due and payable immediately. However, upon specified conditions, the holders of a majority in aggregate principal amount of the Company Debt Securities of that series then outstanding may rescind and annul any such declaration of acceleration and its consequences.

The Company Indenture provides that no holders of the Company Debt Securities of any series may institute any proceedings, judicial or otherwise, with respect to the Company Indenture, or for the appointment of a receiver or Trustee, or for any remedy thereunder, except in the case of failure of the Trustee, for 60 days, to act after it has received a written request to institute proceedings in respect of an Event of Default from the holders of at least 25% in aggregate principal amount of the outstanding Company Debt Securities of that series, as well as an offer of indemnity or security reasonably satisfactory to it, and no inconsistent direction has been given to the Trustee during such 60 day period by the holders of a majority in aggregate principal amount of the outstanding Company Debt Securities of that series. Notwithstanding any other provision of the Company Indenture, each holder of a Company Debt Security will have the right, which is absolute and unconditional, to receive payment of principal of, and premium, if any, and interest, if any, and any Additional Amounts on, that Company Debt Security on the respective due dates for those payments and to institute suit for the enforcement of those payments, and this right shall not be impaired without the consent of such holder.

Subject to the provisions of the Trust Indenture Act requiring the Trustee, during the continuance of an Event of Default under the Company Indenture, to act with the requisite standard of care, the Trustee is under no obligation to exercise any of its rights or powers under the Company Indenture at the request or direction of any of the holders of the Company Debt Securities of any series unless those holders have offered the Trustee indemnity or security reasonably satisfactory to it. The holders of a majority in aggregate principal amount of the outstanding Company Debt Securities of any series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or of exercising any trust or power conferred upon the Trustee, provided that the direction would not conflict with any rule or law or with the Company Indenture or with any series of the Company Debt Securities, such direction would not be unduly prejudicial to the rights of any other holder of the Company Debt Securities of that series (or the Company Debt Securities of any other series), and the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

Within 120 days after the close of each fiscal year, the Company must deliver to the Trustee an officer s certificate stating whether or not the certifying officer has knowledge of any Event of Default or default which, with notice or lapse of time or both, would become an Event of Default under the Company Indenture and, if so, specifying each such default and the nature and status thereof.

Modification, Waivers and Meetings

The Company Indenture permits the Company and the Trustee, with the consent of the holders of a majority in aggregate principal amount of the outstanding Company Debt Securities of each series issued under the Company Indenture and affected by a modification or amendment (voting as separate classes), to modify or amend any of the provisions of the Company Indenture or of the Company Debt Securities of the applicable series or the rights of the holders of the Company Debt Securities of the applicable series under the Company Indenture. However, no modification or amendment shall, without the consent of the holder of each outstanding Company Debt Security affected thereby:

- change the stated maturity of the principal of, or premium, if any, or any installment of interest, if any, on, or any Additional Amounts, if any, with respect to, any Company Debt Security; or

- reduce the principal of, or premium, if any, on, any Company Debt Security or reduce the rate (or modify the calculation of such rate) of interest, if any, on, or the redemption or repurchase price of, or any Additional Amounts with respect to, any Company Debt Security or change the Company s obligation to pay Additional Amounts; or

- reduce the amount of principal of any original issue discount security that would be due and payable upon acceleration of the maturity thereof; or

- change the date(s) on which, or period(s) in which, any Company Debt Security is subject to redemption or repurchase or otherwise alter the provisions with respect to the redemption or repurchase of any Company Debt Security in a manner that is adverse to the interests of the holder of such Company Debt Security; or

- change any place where, or the currency in which, any Company Debt Security is payable; or

- impair the holder s right to institute suit to enforce the payment of any Company Debt Security on or after their stated maturity, or in the case of redemption, on or after the redemption date, or in the case of repurchase, on or after the date for repurchase; or

- reduce the percentage of the outstanding Company Debt Securities of any series whose holders must consent to any modification or amendment or any waiver of compliance with specific provisions of such Company Indenture or specified defaults under the Company Indenture and their consequences; or

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- modify the provisions relating to the requirements for the modification or amendment of the Company Indenture with the consent of each holder, of the waiver of compliance with specific provisions of the Company Indenture or specified defaults under the Company Indenture, except to increase the percentage of holders of the Company Debt Securities of any series outstanding under the Company Indenture required to effect that action or to provide that certain other provisions of the Company Indenture may not be modified or waived without the consent of the holder of each outstanding Company Debt Security affected thereby; or

- reduce the requirements for a quorum or voting at a meeting of holders of the applicable Company Debt Securities.

The Company Indenture also contains provisions permitting the Company and the Trustee, without the consent of the holders of any Company Debt Securities, to modify or amend the Company Indenture, among other things:

- to add to the Events of Default for all or any series of the Company Debt Securities;

- to add to the covenants for the benefit of the holders of all or any series of the Company Debt Securities;

- to provide for security of the Company Debt Securities of all or any series or to add guarantees in favor of the Company Debt Securities of all or any series;

- to establish the form or terms of the Company Debt Securities of any series, and the form of the guarantees, if any, of the Company Debt Securities of any series;

- to cure any mistake or ambiguity or correct or supplement any provision in the Company Indenture which may be defective or inconsistent with other provisions in the Company Indenture, or to make any other provisions with respect to matters or questions arising under the Company Indenture, or to make any change necessary to comply with any requirement of the SEC in connection with the Company Indenture under the Trust Indenture Act, in each case which shall not adversely affect the interests of the holders of any Company Debt Securities;

- to amend or supplement any provision contained in the Company Indenture, provided that the amendment or supplement does not apply to any outstanding Company Debt Securities issued before the date of the amendment or supplement and entitled to the benefits of that provision;

- to conform the terms of the Company Indenture or the Company Debt Securities of a series to the description thereof contained in any prospectus, prospectus supplement or other offering document relating to the offer and sale of those Company Debt Securities; or

- to modify, alter, amend or supplement the Company Debt Securities in any other respect that shall not adversely affect the interests of any of the holders of any the Company Debt Securities.

The holders of a majority in aggregate principal amount of the outstanding Company Debt Securities of any series may, on behalf of all holders of the Company Debt Securities of that series, waive any continuing default under the Company Indenture with respect to the Company Debt Securities of that series and its consequences, except a default (i) in the payment of principal of, or premium, if any, or interest, if any, on, the Company Debt Securities of that series, or (ii) in respect of a covenant or provision that cannot be modified or amended without the consent of the holder of each outstanding Company Debt Security of the affected series.

The Company Indenture contains provisions for convening meetings of the holders of the Company Debt Securities. A meeting may be called at any time by the Trustee, the Company or the holders of at least 10% in aggregate principal amount of the outstanding Company Debt Securities of any series. Notice of a meeting must be given in accordance with the provisions of the Company Indenture. Except for any consent or waiver that must be given by the holder of each outstanding Company Debt Security affected in the manner described above, any resolution presented at a meeting or adjourned meeting duly reconvened at which a quorum, as described below, is present may be adopted by the affirmative vote of the holders of a majority in aggregate principal amount of the outstanding Company Debt Securities of the applicable series. However, any resolution with respect to any request, demand, authorization, direction, notice, consent, waiver, or other action that may be made, given or taken by the holders of a specified percentage, other than a majority, in aggregate principal amount of the outstanding Company Debt Securities of a series may be adopted at a meeting or adjourned meeting duly reconvened at which a quorum is present by the affirmative vote of the holders of that specified percentage in aggregate principal amount of the outstanding Company Debt Securities of that series. Any resolution passed or decision taken at any meeting of holders of the Company Debt Securities of any series duly held in accordance with the Company Indenture will be binding on all holders of the Company Debt Securities of that series. The quorum at any meeting called to adopt a resolution, and at any reconvened meeting, will be persons holding or representing a majority in aggregate principal amount of the outstanding Company Debt Securities of the applicable series, subject to exceptions; *provided*, *however*, that if any action is to be taken at that meeting with respect to a consent or waiver that may be given by the holders of a supermajority in aggregate principal

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amount of the outstanding Company Debt Securities of a series, the persons holding or representing that specified supermajority percentage in aggregate principal amount of the outstanding Company Debt Securities of that series will constitute a quorum.

Book-Entry Procedures

Global Notes

Company Debt Securities of a series may be represented by one or more Company Debt Securities of such series in global form. References to global note in this Description of Company Debt Securities refer to such global note(s). Unless otherwise provided in the applicable prospectus supplement, global notes will be deposited upon issuance with the Trustee as custodian for DTC, in New York, New York, and registered in the name of DTC or its nominee. Each global note will be credited to the account of a direct or indirect participant in DTC as described below.

Except as set forth below, a global note may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in a global note may not be exchanged for Company Debt Securities in certificated form except as described below under Exchanges of Global Note for Certificated Company Debt Securities.

Exchanges of Global Note for Certificated Company Debt Securities

A beneficial ownership interest in a global note may not be exchanged for the Company Debt Securities of the same series in certificated form unless:

- DTC notifies the Company that it is unwilling or unable to continue as depositary for the global note or has ceased to be a clearing agency registered under the Exchange Act and, in either case, the Company fails to appoint a successor depositary within 60 days;

- the Company, at its option, notifies the Trustee in writing that it has elected to issue the Company Debt Securities in certificated form; or

- an Event of Default with respect to the Company Debt Securities represented by the global note has occurred and is continuing.

Book-Entry Procedures

DTC has indicated that it intends to use the following procedures for the global notes. DTC may change these procedures from time to time. Neither the Company nor WPC Finance is responsible for these procedures. You should contact DTC or its participants directly to discuss these matters.

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 securities that DTC s participants (***Direct Participants***) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants accounts. This system 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. 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***). DTC rules applicable to its participants are on file with the SEC. More information about DTC can be found at *www.dtcc.com* and *www.dtc.org*.

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

To facilitate subsequent transfers, all global notes 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 notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in

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Beneficial Ownership. DTC has no knowledge of the actual beneficial owners of global notes; DTC s records reflect only the identity of the Direct Participants to whose accounts a global note is credited, which may or may not be the Beneficial Owners. The Direct Participants and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

AS LONG AS DTC, OR ITS NOMINEE, IS THE REGISTERED HOLDER OF A GLOBAL NOTE, DTC OR ITS NOMINEE, AS THE CASE MAY BE, WILL BE CONSIDERED THE SOLE OWNER AND HOLDER OF THE COMPANY DEBT SECURITIES REPRESENTED BY THE GLOBAL NOTE FOR ALL PURPOSES UNDER THE INDENTURE AND THE COMPANY DEBT SECURITIES.

The laws of some U.S. states require that persons take physical delivery in definitive form of securities that they own. The ability to transfer beneficial ownership interests in a global note to such persons may be limited to that extent. Because DTC can act only on behalf of its Direct Participants, which in turn act on behalf of Indirect Participants and banks, the ability of a person having a beneficial ownership interest in a global note to pledge such interest to persons that do not participate in the DTC system, or take other actions in respect of such interest, may be affected by the lack of a physical certificate.

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to a global note unless authorized by a Direct Participant in accordance with DTC s procedures. Under its usual procedures, DTC will mail an omnibus proxy to the Company 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 a global note is credited on the record date (identified in a listing attached to the omnibus proxy).

Payments of principal of, and premium, if any, and interest, if any, on, global notes 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 on the payment date in accordance with their respective holdings shown on DTC s records. Payments by 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 each participant and not of DTC, the Trustee or the Company, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of, and premium, if any, and interest, if any, on the global notes to DTC will be the responsibility of the Company, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of the Direct Participants and the Indirect Participants.

The Company will send any redemption or repurchase notices to DTC. If less than all of the Company Debt Securities of a particular series are being redeemed or repurchased, DTC s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed or repurchased.

DTC may discontinue providing its services as depositary with respect to global notes at any time by giving reasonable notice to the Company or the Trustee. Under such circumstances, in the event that a successor depositary is not obtained, Company Debt Securities in certificated form are required to be printed and delivered.

The Company may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depositary). In that event, the Company Debt Securities in certificated form will be printed and delivered to DTC.

The information in this section concerning DTC and DTC s book-entry system has been obtained from sources that the Company believes to be reliable, but it takes no responsibility for the accuracy or completeness thereof.

Neither the Company, the Trustee nor their respective agents are responsible for the performance by DTC or its Direct Participants or Indirect Participants of their obligations under the rules and procedures governing their operations.

Discharge, Legal Defeasance and Covenant Defeasance

Satisfaction and Discharge

Upon the Company s direction, the Company Indenture shall cease to be of further effect with respect to the Company Debt Securities of any series specified by the Company, subject to the survival of specified provisions of the Company Indenture, including (unless the accompanying prospectus supplement provides otherwise) the Company s obligation to repurchase such Company Debt Securities at the option of the holders thereof, if applicable, and the Company s obligation to pay Additional Amounts in respect of such Company Debt Securities to the extent described below, when:

- either

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i. all outstanding Company Debt Securities of that series have been delivered to the Trustee for cancellation, subject to exceptions, or

ii. all Company Debt Securities of that series have become due and payable or will become due and payable at their maturity within one year or are to be called for redemption within one year, and the Company has deposited with the Trustee, in trust, funds in the currency in which the Company Debt Securities of that series are payable in an amount sufficient to pay and discharge the entire indebtedness on the Company Debt Securities of that series, including the principal thereof and, premium, if any, and interest, if any, thereon, and, to the extent that (x) the Company Debt Securities of that series provide for the payment of Additional Amounts and (y) the amount of any Additional Amounts that are or will be payable is at the time of deposit reasonably determinable by the Company, in the exercise of its sole discretion, those Additional Amounts, to the date of such deposit, if the Company Debt Securities of that series have become due and payable, or to the stated maturity or redemption date of the Company Debt Securities of that series, as the case may be;

- the Company has paid all other sums payable under the Company Indenture with respect to the Company Debt Securities of that series (including amounts payable to the Trustee); and

- the Trustee has received an officer s certificate and an opinion of counsel from the Company to the effect that all conditions precedent to the satisfaction and discharge of the Company Indenture in respect of the Company Debt Securities of such series have been satisfied.

If the Company Debt Securities of any series provide for the payment of Additional Amounts, the Company will remain obligated, following the deposit described above, to pay Additional Amounts on those Company Debt Securities to the extent that they exceed the amount deposited in respect of those Additional Amounts as described above.

Legal Defeasance and Covenant Defeasance

Unless otherwise specified in the applicable prospectus supplement, the Company may elect with respect to the Company Debt Securities of the particular series either:

- to defease and discharge itself from any and all obligations with respect to those Company Debt Securities (***Company Legal Defeasance***), except for, among other things:

i. the obligation to pay Additional Amounts, if any, upon the occurrence of specified events of taxation, assessment, or governmental charge with respect to payments on those Company Debt Securities to the extent that those Additional Amounts exceed the amount deposited in respect of those amounts as provided below,

ii. the obligations to register the transfer or exchange of those Company Debt Securities,

iii. the obligation to replace temporary or mutilated, destroyed, lost, or stolen Company Debt Securities,

iv. the obligation to maintain an office or agent of the Company in The City of New York in respect of those Company Debt Securities,

v. the obligation to hold moneys for payment in respect of those Company Debt Securities in trust, and

vi. the obligation, if applicable, to repurchase those Company Debt Securities at the option of the holders thereof; or

- to be released from its obligations with respect to those Company Debt Securities under any covenants as may be specified in the applicable prospectus supplement, and any omission to comply with those obligations shall not constitute a default or an Event of Default with respect to those Company Debt Securities (***Company Covenant Defeasance***), in either case upon the irrevocable deposit with the Trustee, or other qualifying Trustee, in trust for that purpose, of funds in the currency in which those Company Debt Securities are payable at maturity or, if applicable, upon redemption, and/or government obligations (as defined in the Company Indenture) in an amount that, through the payment of principal and interest in accordance with their terms, will provide money, in an amount sufficient, in the written opinion of a nationally recognized firm of independent public accountants or a nationally recognized investment bank, to pay the principal thereof and premium, if any, and interest, if any, thereon, and, to the extent that (x) those Company Debt Securities provide for the payment of Additional Amounts and (y) the amount of any Additional Amounts that are or will be payable is at the time of deposit reasonably determinable by the Company, in the exercise of its sole discretion, the Additional Amounts with respect to those Company Debt Securities, and any mandatory sinking fund or analogous payments on those Company Debt Securities, on the due dates for those payments, whether at stated maturity, upon redemption, upon repurchase at the option of the holder or otherwise.

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The Company Legal Defeasance or Company Covenant Defeasance described above shall only be effective if, among other things:

- it shall not result in a breach or violation of, or constitute a default under, the Company Indenture or any other agreement or instrument to which the Company or any significant subsidiary is a party or is bound;

- in the case of Company Legal Defeasance, the Company shall have delivered to the Trustee an opinion of counsel confirming that:

i. the Company has received from, or there has been published by, the Internal Revenue Service a ruling, or

ii. since the date of the Company Indenture, there has been a change in applicable federal income tax law;

in either case to the effect that, and based on this ruling or change the opinion of counsel shall confirm that, the holders of the Company Debt Securities of the applicable series will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the Company Legal 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 Company Legal Defeasance had not occurred;

- in the case of Company Covenant Defeasance, the Company shall have delivered to the Trustee an opinion of counsel to the effect that the holders of the Company Debt Securities of the applicable series will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the Company 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 Company Covenant Defeasance had not occurred;

- if the cash and government obligations deposited are sufficient to pay the outstanding Company Debt Securities of the applicable series on a particular redemption date, the Company shall have given the Trustee irrevocable instructions to redeem those Company Debt Securities on that date;

- no Event of Default or default that with notice or lapse of time or both would become an Event of Default with respect to the Company Debt Securities of the applicable series shall have occurred and be continuing on the date of the deposit into trust; and, solely in the case of Company Legal Defeasance, no Event of Default arising from specified events of bankruptcy, insolvency, or reorganization with respect to the Company or default which with notice or lapse of time or both would become such an Event of Default shall have occurred and be continuing during the period ending on the 91st day after the date of the deposit into trust; and

- the Company shall have delivered to the Trustee an officer s certificate and opinion of counsel to the effect that all conditions precedent to the Company Legal Defeasance or Company Covenant Defeasance, as the case may be, have been satisfied.

In the event the Company effects Company Covenant Defeasance with respect to the Company Debt Securities of any series and those Company 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 the covenants as to which Company Covenant Defeasance has been effected, which covenants would no longer be applicable to the Company Debt Securities of that series after Company Covenant Defeasance, the amount of monies and/or government obligations deposited with the Trustee to effect Company Covenant Defeasance may not be sufficient to pay amounts due on the Company Debt Securities of that series at the time of any acceleration resulting from that Event of Default. However, the Company would remain liable to make payment of those amounts due at the time of acceleration.

The applicable prospectus supplement may further describe the provisions, if any, permitting or restricting Company Legal Defeasance or Company Covenant Defeasance with respect to the Company Debt Securities of a particular series.

Concerning the Trustee

There may be more than one Trustee under the Company Indenture, each with respect to one or more series of the Company Debt Securities. If there are different Trustees for different series of the Company Debt Securities, each Trustee will be a trustee separate and apart from any other Trustee under the Company Indenture. Unless otherwise specified in the applicable prospectus supplement, any action permitted to be taken by a Trustee may be taken by such Trustee only with respect to the one or more series of Debt Securities for which it is the trustee under the Company Indenture. Any Trustee under the Company Indenture may resign or be removed with respect to one or more series of the Company Debt Securities. All payments of principal of, and premium, if any, and interest, if any, on, and all registration, transfer, exchange, authentication and delivery (including authentication and delivery on original issuance of the Company Debt Securities) of, the Company Debt Securities of a series will be effected by the Trustee with respect to that series at an office designated by the Trustee.

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U.S. Bank National Association is the trustee under the Company Indenture. The Company may maintain corporate trust relationships in the ordinary course of business with the Trustee. The Trustee shall have and be subject to all the duties and responsibilities specified with respect to an indenture trustee under the Trust Indenture Act. Subject to the provisions of the Trust Indenture Act, the Trustee is under no obligation to exercise any of the powers vested in it by the Company Indenture at the request of any holder of the Company Debt Securities unless offered indemnity or security reasonably acceptable to it by the holder against the costs, expense and liabilities which might be incurred thereby.

Under the Trust Indenture Act, the Company Indenture is deemed to contain limitations on the right of the Trustee, should it become a creditor of the Company, to obtain payment of claims in some cases or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee may engage in other transactions with the Company. If it acquires any conflicting interest relating to any of its duties with respect to the Company Debt Securities, however, it must eliminate the conflict or resign as Trustee.

Governing Law

The Company Indenture and the Company Debt Securities will be governed by, and construed in accordance with, the laws of the State of New York.

Notices

All notices to holders of Company Debt Securities shall be validly given if in writing and mailed, first-class postage prepaid, to them at their respective addresses in the register maintained by the Trustee or by electronic means in the case of global securities.

DESCRIPTION OF WPC FINANCE DEBT SECURITIES AND THE GUARANTEE

The WPC Finance Debt Securities will be issued in one or more series under an indenture, to be entered into between WPC Finance, as issuer, the Company, as guarantor, and U.S. Bank National Association, as trustee. References herein to the ***WPC Finance Indenture*** refer to such indenture and references to the ***Trustee*** in this Description of WPC Finance Debt Securities and the Guarantee refer to such trustee or any other trustee for any particular series of WPC Finance Debt Securities issued under the WPC Finance Indenture. The terms of the WPC Finance Debt Securities of any series will be those specified in or pursuant to the WPC Finance Indenture and in the applicable WPC Finance Debt Securities of that series and those made part of the WPC Finance Indenture by the Trust Indenture Act.

The following description of WPC Finance Debt Securities describes general terms and provisions of the series of WPC Finance Debt Securities to which any prospectus supplement may relate. When the WPC Finance Debt Securities of a particular series are offered for sale, the specific terms of such WPC Finance Debt Securities will be described in the applicable prospectus supplement. If any terms of such WPC Finance Debt Securities described in a prospectus supplement are inconsistent with any of the terms of the WPC Finance Debt Securities generally described in this prospectus, then the terms described in the applicable prospectus supplement will supersede the terms described in this prospectus.

The following description of selected provisions of the WPC Finance Indenture and the WPC Finance Debt Securities is not complete, and the description of selected terms of the WPC Finance Debt Securities of a particular series included in the applicable prospectus supplement also will not be complete. You should review the form of the WPC Finance Indenture and the form of the applicable WPC Finance Debt Securities, which forms have been or will be filed as exhibits to the registration statement of which this prospectus is a part, or as exhibits to documents that have been or will be incorporated by reference in this prospectus. To obtain a copy of the form of the WPC Finance Indenture or the form of the applicable WPC Finance Debt Securities, see Where You Can Find More Information; Incorporation by Reference in this prospectus. The following description of WPC Finance Debt Securities and the description of the WPC Finance Debt Securities of a particular series in the applicable prospectus supplement are qualified in their entirety by reference to all of the provisions of the WPC Finance Indenture and the applicable WPC Finance Debt Securities, which provisions, including defined terms, are, or will be, incorporated by reference in this prospectus, and to those made part of the WPC Finance Indenture by the Trust Indenture Act. Capitalized terms used but not defined in the following description will have the meanings assigned to those terms in the WPC Finance Indenture or, if applicable, the WPC Finance Debt Securities.

WPC Finance may also guarantee obligations of its direct or indirect subsidiaries. Any liability WPC Finance may have for its subsidiaries obligations could reduce its assets that are available to satisfy its direct creditors, including holders of the WPC Finance Debt Securities. In addition, any unsecured WPC Finance Debt Securities will be effectively junior to WPC Finance s secured debt to the extent of the value of the collateral security securing the same.

General

The WPC Finance Debt Securities will constitute the unsecured and unsubordinated obligations of WPC Finance and will rank on parity in right of payment among themselves and with all of WPC Finance s other existing and future unsecured and unsubordinated

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indebtedness. WPC Finance may issue an unlimited principal amount of WPC Finance Debt Securities under the WPC Finance Indenture. The WPC Finance Indenture provides that WPC Finance Debt Securities of any series may be issued up to the aggregate principal amount that may be authorized from time to time by WPC Finance. Please read the applicable prospectus supplement relating to the WPC Finance Debt Securities of the particular series being offered thereby for selected terms of such WPC Finance Debt Securities, including, without limitation, where applicable:

- the title of such series of the WPC Finance Debt Securities;

- the aggregate principal amount of the WPC Finance Debt Securities of such series and any limit thereon;

- the date or dates on which WPC Finance will pay the principal of, and premium, if any, on, the WPC Finance Debt Securities of such series, or the method or methods, if any, used to determine such date or dates;

- the rate or rates, which may be fixed or variable, at which the WPC Finance Debt Securities of such series will bear interest, if any, or the method or methods, if any, used to determine such rate or rates;

- the basis used to calculate interest, if any, on the WPC Finance Debt Securities of such series if other than a 360-day year of twelve 30-day months;

- the date or dates, if any, from which interest on the WPC Finance Debt Securities of such series will accrue, or the method or methods, if any, used to determine such date or dates;

- the date or dates, if any, on which interest on the WPC Finance Debt Securities of such series will be payable and the record dates for any such payment of interest;

- the terms and conditions, if any, upon which WPC Finance is required to, or may, at its option, redeem WPC Finance Debt Securities of such series;

- the terms and conditions, if any, upon which WPC Finance will be required to repurchase WPC Finance Debt Securities of such series at the option of holders of WPC Finance Debt Securities of such series;

- the terms of any sinking fund or analogous provision applicable to the WPC Finance Debt Securities of such series;

- the portion of the principal amount of the WPC Finance Debt Securities of such series payable upon acceleration of the maturity thereof if other than the full principal amount;

- the authorized denominations in which the WPC Finance Debt Securities of such series will be issued;

- the place or places where (i) amounts due on the WPC Finance Debt Securities of such series will be payable (ii) the WPC Finance Debt Securities of such series may be surrendered for registration of transfer and exchange and (iii) notices or demands to or upon WPC Finance or the Trustee in respect of the WPC Finance Debt Securities of such series or the WPC Finance Indenture may be served;

- the currency or currencies in which purchases of, and payments on, the WPC Finance Debt Securities of such series must be made;

- whether the amount of payments due on the WPC Finance Debt Securities of such series may be determined with reference to an index, formula, or other method or methods (any of those WPC Finance Debt Securities being referred to as Indexed Securities) and the manner used to determine those amounts;

- any addition to, modification of, or deletion of, any covenant or Event of Default (as defined below) with respect to the WPC Finance Debt Securities of such series;

- the identity of the depositary for the global WPC Finance Debt Securities and the terms of the depositary arrangement if other than as specified below;

- the circumstances under which WPC Finance will pay additional amounts on the WPC Finance Debt Securities of such series in respect of any Additional Amounts and whether WPC Finance will have the option to redeem such WPC Finance Debt Securities rather than pay the Additional Amounts; and

- any other terms of the WPC Finance Debt Securities of such series.

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As used in this prospectus, references to the principal of, and premium, if any, and interest, if any, on, the WPC Finance Debt Securities of a series include Additional Amounts, if any, payable on the WPC Finance Debt Securities of such series in that context.

WPC Finance may issue WPC Finance Debt Securities as original issue discount securities to be sold at a substantial discount below their principal amount. In the event of an acceleration of the maturity of any original issue discount security, the amount payable to the holder upon acceleration will be determined in the manner described in the applicable prospectus supplement. Important federal income tax and other considerations applicable to original issue discount securities will be described in the applicable prospectus supplement.

The terms of the WPC Finance Debt Securities of any series may be inconsistent with the terms of the WPC Finance Debt Securities of any other series. Unless otherwise specified in the applicable prospectus supplement, WPC Finance may, without the consent of, or notice to, the holders of the WPC Finance Debt Securities of any series, reopen an existing series of WPC Finance Debt Securities and issue additional WPC Finance Debt Securities of that series.

Other than to the extent provided in -Merger, Consolidation and Transfer of Assets below or to the extent provided with respect to the WPC Finance Debt Securities of a particular series and described in the applicable prospectus supplement, the WPC Finance Indenture will not contain any provisions that would limit WPC Finance s ability to incur indebtedness or to substantially reduce or eliminate its consolidated assets, or that would afford holders of the WPC Finance Debt Securities protection in the event of:

- a recapitalization or other highly leveraged or similar transaction involving the Company, any of its subsidiaries (including WPC Finance) or affiliates or its management;

- a change of control involving the Company or its subsidiaries (including WPC Finance) or affiliates; or

- a reorganization, restructuring, merger, or similar transaction involving the Company, its subsidiaries (WPC Finance) or its affiliates.

Accordingly, WPC Finance s ability to service its indebtedness (including the WPC Finance Debt Securities) could be materially and adversely affected in the future.

Guarantee of the WPC Finance Debt Securities

The Company will fully, unconditionally and irrevocably guarantee to each holder and the Trustee the full and punctual payment of principal of, premium, if any, and interest on the WPC Finance Debt Securities and any of the other obligations of WPC Finance under the WPC Finance Indenture with respect to the WPC Finance Debt Securities, when and as the same become due and payable, whether at maturity, upon redemption or repurchase, of acceleration or otherwise, including any Additional Amounts required to be paid in connection with certain taxes. Any obligation of the Company to make a payment may be satisfied by causing WPC Finance to make such payment.

The Company s Guarantee will be an unsecured and unsubordinated obligation of the Company and will rank equally in right of payment with all of the Company s other senior unsecured and unsubordinated indebtedness and guarantees from time to time outstanding.

The WPC Finance Indenture provides that in the event of a default in payment of principal of, premium, if any, and interest on senior WPC Finance Debt Securities of a particular series, the holder of such series of WPC Finance Debt Securities may institute legal proceedings directly against the Company to enforce the applicable Guarantee without first proceeding against WPC Finance.

Registration, Transfer, Payment and Paying Agent

Unless otherwise specified in the applicable prospectus supplement, each series of WPC Finance Debt Securities will be issued in registered form only, without coupons.

Unless otherwise specified in the applicable prospectus supplement, the WPC Finance Debt Securities may be surrendered for registration of transfer or exchange at an office of WPC Finance or an agent of WPC Finance in the City of New York. Unless otherwise specified in the applicable prospectus supplement, the WPC Finance Debt Securities will be payable at the office of the paying agent named in the applicable prospectus supplement. However, WPC Finance, at its option, may make payments of interest on any interest payment date for a WPC Finance Debt Security by check mailed to the address of the person entitled to receive that payment or by wire transfer to an account maintained by the payee with a bank located in the United States.

Any interest not punctually paid or duly provided for on any interest payment date with respect to the WPC Finance Debt Securities of any series will forthwith cease to be payable to the holders of those WPC Finance Debt Securities on the applicable regular record date. Such interest may be paid to the persons in whose names those WPC Finance Debt Securities are registered at the close of

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business on a special record date for the payment of the interest not punctually paid or duly provided for to be fixed by the Trustee or WPC Finance, notice whereof will be given to the holders of those WPC Finance Debt Securities not less than 10 days prior to the special record date, or may be paid at any time in any other lawful manner, all as completely set forth in the WPC Finance Indenture.

Subject to certain limitations imposed on WPC Finance Debt Securities issued in book-entry form, the WPC Finance Debt Securities of any series will be exchangeable for other WPC Finance Debt Securities of the same series and of a like aggregate principal amount and tenor of different authorized denominations, upon surrender of those WPC Finance Debt Securities at the designated place or places. In addition, subject to certain limitations imposed upon WPC Finance Debt Securities issued in book-entry form, the WPC Finance Debt Securities of any series may be surrendered for registration of transfer or exchange thereof at the designated place or places if duly endorsed or accompanied by a written instrument of transfer. No service charge will be made for any registration of transfer or exchange, redemption or repurchase of WPC Finance Debt Securities, but WPC Finance may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with certain of those transactions.

Unless otherwise specified in the applicable prospectus supplement, WPC Finance will not be required to:

- issue, register the transfer of, or exchange WPC Finance Debt Securities of any series during a period beginning at the opening of business 15 days before any selection of WPC Finance Debt Securities of that series of like tenor and terms to be redeemed and ending at the close of business on the day of that selection;

- register the transfer of or exchange any WPC Finance Debt Security, or portion of any WPC Finance Debt Security, called for redemption, except the unredeemed portion of any WPC Finance Debt Security being redeemed in part; or

- issue, register the transfer of or exchange a WPC Finance Debt Security that has been surrendered for repurchase at the option of the holder, except the portion, if any, of the WPC Finance Debt Security not to be repurchased.

Outstanding WPC Finance Debt Securities

In determining whether the holders of the requisite principal amount of outstanding WPC Finance Debt Securities have given any request, demand, authorization, direction, notice, consent or waiver under the WPC Finance Indenture:

- the principal amount of an original issue discount security that will be deemed to be outstanding for these purposes will be that portion of the principal amount of the original issue discount security that would be due and payable upon acceleration of the maturity of such original issue discount security as of the date of the determination;

- the principal amount of any Indexed Security that will be deemed to be outstanding for these purposes will be the principal amount of the Indexed Security determined on the date of its original issuance;

- the principal amount of a WPC Finance Debt Security denominated in a currency other than U.S. Dollars will be the U. S. Dollar equivalent, determined on the date of its original issuance, of the principal amount of such WPC Finance Debt Security; and

- a WPC Finance Debt Security owned by WPC Finance or any other obligor of such WPC Finance Debt Security or any affiliate of WPC Finance or such other obligor will be deemed not to be outstanding.

Payment of Additional Amounts

All payments in respect of the WPC Finance Debt Securities will be made by WPC Finance or the Company, as applicable without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature, imposed or levied by the Netherlands or the United States or any taxing authority thereof or therein, as applicable, unless such withholding or deduction is required by law. If such withholding or deduction is required by law, WPC Finance or the Company, as applicable, will pay to a holder who is not United States person such Additional Amounts on such WPC Finance Debt Securities as are necessary in order that the net payment by WPC Finance or the Company, as applicable, of principal of, and premium, if any, and interest on, such WPC Finance Debt Securities to such holder, after such withholding or deduction, will not be less than the amount provided in such WPC Finance Debt Securities to be then due and payable; *provided*, *however*, that the foregoing obligation to pay Additional Amounts will not apply:

i. to any tax, assessment or other governmental charge that would not have been imposed but for the holder, or a fiduciary, settlor, beneficiary, member or shareholder of the holder if the holder is an estate, trust, partnership or corporation, or a person holding a power over an estate or trust administered by a fiduciary holder, being considered as:

A. being or having been engaged in a trade or business in the United States, or having had a permanent establishment in the United States, or having had a qualified business unit which has the United States dollar as its functional

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currency;

B. having a current or former connection with the United States (other than a connection arising solely as a result of the ownership of such WPC Finance Debt Securities, the receipt of any payment or the enforcement of any rights thereunder) or being considered as having such relationship, including being or having been a citizen or resident of the United States;

C. being or having been a personal holding company, a passive foreign investment company or a controlled foreign corporation with respect to the United States or a foreign personal holding company that has accumulated earnings to avoid United States federal income tax;

D. being or having been a 10-percent shareholder of the guarantor under the notes within the meaning of Section 871(h)(3) of the Code or any successor provision; or

E. being a bank receiving payments on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business.

ii. to any holder that is not the sole beneficial owner of a WPC Finance Debt Security, or a portion of such WPC Finance Debt Security, or that is a fiduciary, partnership or limited liability company, but only to the extent that a beneficiary or settlor with respect to the fiduciary, a beneficial owner or member of the partnership or limited liability company would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment;

iii. to any tax, assessment or other governmental charge that would not have been imposed but for the failure of the holder or any other person to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States, of the holder or beneficial owner of a WPC Finance Debt Security, if compliance is required by statute, by regulation of the United States or any taxing authority therein or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;

iv. to any tax, assessment or other governmental charge that is imposed otherwise than by withholding by us or a paying agent from the payment;

v. to any tax, assessment or other governmental charge that would not have been imposed but for a change in law, regulation, or administrative or judicial interpretation that becomes effective more than 15 days after the payment becomes due or is duly provided for, whichever occurs later;

vi. to any estate, inheritance, gift, sales, excise, transfer, wealth, capital gains or personal property tax or similar tax, assessment or other governmental charge;

vii. to any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the holder of any WPC Finance Debt Security, where presentation is required, for payment on a date more than 30 days after the date on which payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;

viii. to any withholding or deduction that is imposed on a payment pursuant to Sections 1471 through 1474 of the Code and related Treasury regulations and pronouncements (the Foreign Account Tax Compliance Act) or any successor provisions and any regulations or official law, agreement or interpretations thereof implementing an intergovernmental approach thereto; or

ix. in the case of any combination of items (i), (ii), (iii), (iv), (v), (vi), (vii), and (viii).

The WPC Finance Debt Securities are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable to the WPC Finance Debt Securities. Except as specifically provided under this heading Payment of Additional Amounts, neither WPC Finance nor the Company, as applicable, will be required to make any payment for any tax, duty, assessment or governmental charge of whatever nature imposed by any government or a political subdivision or taxing authority of or in any government or political subdivision.

As used under this heading Payment of Additional Amounts and under the heading Redemption for Tax Reasons, the term United States means the United States of America (including the states and the District of Columbia and any political subdivision thereof), and the term United States person means any individual who is a citizen or resident of the United States for U.S. federal income tax purposes; a corporation, partnership or other entity created or organized in or under the laws of the United States, any state of the United States or the District of Columbia, including an entity treated as a corporation for Unites States income tax purposes; or any estate or trust the income of which is subject to United States federal income taxation regardless of its source.

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Redemption and Repurchase

The WPC Finance Debt Securities of any series may be redeemable at WPC Finance s option or may be subject to mandatory redemption by WPC Finance as required by a sinking fund or otherwise. In addition, the WPC Finance Debt Securities of any series may be subject to repurchase by WPC Finance at the option of the holders thereof. The applicable prospectus supplement will describe the terms and conditions regarding any optional or mandatory redemption or optional repurchase of the WPC Finance Debt Securities of the particular series.

Redemption for Tax Reasons

If, as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated under the laws) of the Netherlands or the United States or any taxing authority thereof or therein, as applicable, or any change in, or amendments to, an official position regarding the application or interpretation of such laws, regulations or rulings, which change or amendment is announced or becomes effective on or after the date of the issuance of the WPC Finance Debt Securities of a series, WPC Finance or the Company becomes or, based upon a written opinion of independent counsel selected by them, will become obligated to pay Additional Amounts as described herein under the heading Payment of Additional Amounts with respect to the WPC Finance Debt Securities of such series, then WPC Finance may at any time at its option, having given not less than 30 nor more than 60 days prior notice to holders, redeem, in whole, but not in part, such WPC Finance Debt Securities at a redemption price equal to 100% of their principal amount of such WPC Finance Debt Securities, together with accrued and unpaid interest on such WPC Finance Debt Security to, but not including, the date fixed for redemption.

Merger, Consolidation and Transfer of Assets

The WPC Finance Indenture provides that neither WPC Finance nor the Company may, in any transaction or series of related transactions, (i) consolidate or amalgamate with or merge into any other person or (ii) sell, lease, assign, transfer or otherwise convey all or substantially all of the assets of WPC Finance or the Company, as applicable, and its subsidiaries, taken as a whole, to any other person, in each case, unless:

- in such transaction or transactions, either (i) WPC Finance or the Company, as applicable, will be the continuing person (in the case of a merger) or (ii) the successor person (if other than WPC Finance or the Company, as applicable) formed by or resulting from the consolidation, amalgamation or merger or to which such assets will have been sold, leased, assigned, transferred or otherwise conveyed (A) is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of the Netherlands or a corporation, limited liability company, partnership or trust organized and existing under the laws of the United States of America, any state thereof or the District of Columbia or any territory thereof, as applicable, and (B) will, by a supplemental indenture to the WPC Finance Indenture, expressly assume the due and punctual performance of all of WPC Finance s or the Company s, as applicable, payment and other obligations under the WPC Finance Indenture and all of the WPC Finance Debt Securities and Guarantee outstanding thereunder;

- immediately after giving effect to such transaction or transactions, no Event of Default under the WPC Finance Indenture, and no event which, after notice or lapse of time or both would become an Event of Default under the WPC Finance Indenture, will have occurred and be continuing; and

- the Trustee will have received an officer s certificate and opinion of counsel from WPC Finance or the Company, as applicable, to the effect that all conditions precedent to such transaction or transactions have been satisfied.

Upon any consolidation or amalgamation by WPC Finance or the Company, as applicable, with, or WPC Finance s or the Company s, as applicable, merger into, any other person or any sale, lease, assignment, transfer or other conveyance of all or substantially all of the assets of WPC Finance or the Company, as applicable, and its subsidiaries, taken as a whole, to any person, in each case in accordance with the provisions of the WPC Finance Indenture described above, the successor person formed by the consolidation or amalgamation or into which WPC Finance or the Company, as applicable, is merged or to which such sale, lease, assignment, transfer or other conveyance is made, as applicable, will succeed to, and be substituted for, WPC Finance or the Company, as applicable, and may exercise every right and power of WPC Finance or the Company, as applicable, under the WPC Finance Indenture with the same effect as if such successor person had been named as WPC Finance or the Company, as applicable, in the WPC Finance Indenture; and thereafter, the predecessor person will be released from all of its obligations and covenants under the WPC Finance Indenture and the outstanding WPC Finance Debt Securities and the Guarantee, as applicable.

Events of Default

Unless otherwise specified in the applicable prospectus supplement, an Event of Default with respect to the WPC Finance Debt Securities of any series is defined in the WPC Finance Indenture as being:

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i. default for 30 days in the payment of any interest on, or any Additional Amounts payable in respect of any interest on, any WPC Finance Debt Security of that series;

ii. default in payment of any principal of, or premium, if any, on, or any Additional Amounts payable in respect of any principal of, or premium, if any, on, any WPC Finance Debt Security of that series when due, whether at stated maturity, upon redemption, upon repurchase at the option of the holder or otherwise;

iii. default in the deposit of any sinking fund payment or payment under any analogous provision when due with respect to any WPC Finance Debt Security of that series;

iv. default in the performance or observance, or breach, of any covenant or other agreement of WPC Finance or the Company, as applicable, in the WPC Finance Indenture or any WPC Finance Debt Security of that series not covered elsewhere in this section, other than a covenant or other agreement included in the WPC Finance Indenture solely for the benefit of a series of WPC Finance Debt Securities other than that series, which will not have been remedied for a period of 60 days after written notice to WPC Finance and the Company by the Trustee or to WPC Finance, the Company and the Trustee by the holders of at least 25% in aggregate principal amount of the WPC Finance Debt Securities of that series then outstanding;

v. default by WPC Finance or the Company, as applicable, to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise), in respect of any indebtedness for money borrowed by WPC Finance or the Company, as applicable, in excess of $50,000,000 principal amount, or a default under any such indebtedness resulting in the acceleration prior to the stated maturity of the principal amount of such indebtedness in excess of $50,000,000, and such indebtedness is not discharged or such acceleration is not rescinded or annulled within 30 days thereafter;

vi. specified events of bankruptcy, insolvency, or reorganization with respect to WPC Finance or the Company, as applicable, or their respective significant subsidiaries (as defined in Regulation S-X under the Securities Act);

vii. the Guarantee ceasing to be in full force and effect or the taking of any action by WPC Finance or the Company to question the validity of the Guarantee; or

viii. any other Event of Default established for the WPC Finance Debt Securities of that series.

No Event of Default with respect to any particular series of WPC Finance Debt Securities necessarily constitutes an Event of Default with respect to any other series of WPC Finance Debt Securities. The Trustee is required to give notice to holders of the WPC Finance Debt Securities of the applicable series within 90 days after a responsible officer of the Trustee has actual knowledge of a default relating to such WPC Finance Debt Securities.

If an Event of Default specified in clause (vi) above occurs, then the principal amount of all the outstanding WPC Finance Debt Securities and unpaid interest, if any, accrued thereon will automatically become immediately due and payable. If any other Event of Default with respect to the outstanding WPC Finance Debt Securities of the applicable series occurs and is continuing, either the Trustee or the holders of at least 25% in aggregate principal amount of the WPC Finance Debt Securities of that series then outstanding may declare the principal amount of, or if WPC Finance Debt Securities of that series are original issue discount securities such lesser amount as may be specified in the terms of, the WPC Finance Debt Securities of that series, and unpaid interest, if any, accrued thereon to be due and payable immediately. However, upon specified conditions, the holders of a majority in aggregate principal amount of the WPC Finance Debt Securities of that series then outstanding may rescind and annul any such declaration of acceleration and its consequences.

The WPC Finance Indenture provides that no holders of WPC Finance Debt Securities of any series may institute any proceedings, judicial or otherwise, with respect to the WPC Finance Indenture, or for the appointment of a receiver or Trustee, or for any remedy thereunder, except in the case of failure of the Trustee, for 60 days, to act after it has received a written request to institute proceedings in respect of an Event of Default from the holders of at least 25% in aggregate principal amount of the outstanding WPC Finance Debt Securities of that series, as well as an offer of indemnity or security reasonably satisfactory to it, and no inconsistent direction has been given to the Trustee during such 60 day period by the holders of a majority in aggregate principal amount of the outstanding WPC Finance Debt Securities of that series. Notwithstanding any other provision of the WPC Finance Indenture, each holder of a WPC Finance Debt Security will have the right, which is absolute and unconditional, to receive payment of principal of, and premium, if any, and interest, if any, and any Additional Amounts on, that WPC Finance Debt Security on the respective due dates for those payments and to institute suit for the enforcement of those payments, and this right will not be impaired without the consent of such holder.

Subject to the provisions of the Trust Indenture Act requiring the Trustee, during the continuance of an Event of Default under the WPC Finance Indenture, to act with the requisite standard of care, the Trustee is under no obligation to exercise any of its rights or powers under the WPC Finance Indenture at the request or direction of any of the holders of WPC Finance Debt Securities of any

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series unless those holders have offered the Trustee indemnity or security reasonably satisfactory to it. The holders of a majority in aggregate principal amount of the outstanding WPC Finance Debt Securities of any series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or of exercising any trust or power conferred upon the Trustee, provided that the direction would not conflict with any rule or law or with the WPC Finance Indenture or with any series of WPC Finance Debt Securities, such direction would not be unduly prejudicial to the rights of any other holder of WPC Finance Debt Securities of that series (or the WPC Finance Debt Securities of any other series), and the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

Within 120 days after the close of each fiscal year, WPC Finance and the Company must deliver to the Trustee an officer s certificate stating whether or not the certifying officer has knowledge of any Event of Default or default which, with notice or lapse of time or both, would become an Event of Default under the WPC Finance Indenture and, if so, specifying each such default and the nature and status thereof.

Modification, Waivers and Meetings

The WPC Finance Indenture permits WPC Finance, the Company and the Trustee, with the consent of the holders of a majority in aggregate principal amount of the outstanding WPC Finance Debt Securities of each series issued under the WPC Finance Indenture and affected by a modification or amendment (voting as separate classes), to modify or amend any of the provisions of the WPC Finance Indenture or of the WPC Finance Debt Securities of the applicable series or the rights of the holders of the WPC Finance Debt Securities of the applicable series under the WPC Finance Indenture. However, no modification or amendment will, without the consent of the holder of each outstanding WPC Finance Debt Security affected thereby:

- change the stated maturity of the principal of, or premium, if any, or any instalment of interest, if any, on, or any Additional Amounts, if any, with respect to, any WPC Finance Debt Security; or

- reduce the principal of, or premium, if any, on, any WPC Finance Debt Security or reduce the rate (or modify the calculation of such rate) of interest, if any, on, or the redemption or repurchase price of, or any Additional Amounts with respect to, any WPC Finance Debt Security or change WPC Finance s obligation to pay Additional Amounts; or

- reduce the amount of principal of any original issue discount security that would be due and payable upon acceleration of the maturity thereof; or

- change the date(s) on which, or period(s) in which, any WPC Finance Debt Security is subject to redemption or repurchase or otherwise alter the provisions with respect to the redemption or repurchase of any WPC Finance Debt Security in a manner that is adverse to the interests of the holder of such WPC Finance Debt Security; or

- change any place where, or the currency in which, any WPC Finance Debt Security is payable; or

- impair the holder s right to institute suit to enforce the payment of any WPC Finance Debt Security on or after their stated maturity, or in the case of redemption, on or after the redemption date, or in the case of repurchase, on or after the date for repurchase; or

- reduce the percentage of the outstanding WPC Finance Debt Securities of any series whose holders must consent to any modification or amendment or any waiver of compliance with specific provisions of such WPC Finance Indenture or specified defaults under the WPC Finance Indenture and their consequences; or

- modify the provisions relating to the requirements for the modification or amendment of the WPC Finance Indenture with the consent of each holder, of the waiver of compliance with specific provisions of the WPC Finance Indenture or specified defaults under the WPC Finance Indenture, except to increase the percentage of holders of WPC Finance Debt Securities of any series outstanding under the WPC Finance Indenture required to effect that action or to provide that certain other provisions of the WPC Finance Indenture may not be modified or waived without the consent of the holder of each outstanding WPC Finance Debt Security affected thereby; or

- reduce the requirements for a quorum or voting at a meeting of holders of the applicable WPC Finance Debt Securities.

The WPC Finance Indenture also contains provisions permitting WPC Finance, the Company and the Trustee, without the consent of the holders of any WPC Finance Debt Securities, to modify or amend the WPC Finance Indenture, among other things:

- to add to the Events of Default for all or any series of WPC Finance Debt Securities;

- to add to the covenants for the benefit of the holders of all or any series of WPC Finance Debt Securities;

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- to provide for security of WPC Finance Debt Securities of all or any series or to add guarantees (in addition to the Guarantee) in favor of WPC Finance Debt Securities of all or any series;

- to establish the form or terms of WPC Finance Debt Securities of any series, and the form of the Guarantee of any series of WPC Finance Debt Securities;

- to cure any mistake or ambiguity or correct or supplement any provision in the WPC Finance Indenture which may be defective or inconsistent with other provisions in the WPC Finance Indenture, or to make any other provisions with respect to matters or questions arising under the WPC Finance Indenture, or to make any change necessary to comply with any requirement of the SEC in connection with the WPC Finance Indenture under the Trust Indenture Act, in each case which will not adversely affect the interests of the holders of any WPC Finance Debt Securities;

- to amend or supplement any provision contained in the WPC Finance Indenture, provided that the amendment or supplement does not apply to any outstanding WPC Finance Debt Securities issued before the date of the amendment or supplement and entitled to the benefits of that provision;

- to conform the terms of the WPC Finance Indenture or the WPC Finance Debt Securities of a series to the description thereof contained in any prospectus, prospectus supplement or other offering document relating to the offer and sale of those WPC Finance Debt Securities; or

- to modify, alter, amend or supplement the WPC Finance Debt Securities in any other respect that will not adversely affect the interests of any of the holders of any WPC Finance Debt Securities.

The holders of a majority in aggregate principal amount of the outstanding WPC Finance Debt Securities of any series may, on behalf of all holders of WPC Finance Debt Securities of that series, waive any continuing default under the WPC Finance Indenture with respect to the WPC Finance Debt Securities of that series and its consequences, except a default (i) in the payment of principal of, or premium, if any, or interest, if any, on, the WPC Finance Debt Securities of that series, or (ii) in respect of a covenant or provision that cannot be modified or amended without the consent of the holder of each outstanding WPC Finance Debt Security of the affected series.

The WPC Finance Indenture contains provisions for convening meetings of the holders of WPC Finance Debt Securities. A meeting may be called at any time by the Trustee, WPC Finance or the holders of at least 10% in aggregate principal amount of the outstanding WPC Finance Debt Securities of any series. Notice of a meeting must be given in accordance with the provisions of the WPC Finance Indenture. Except for any consent or waiver that must be given by the holder of each outstanding WPC Finance Debt Security affected in the manner described above, any resolution presented at a meeting or adjourned meeting duly reconvened at which a quorum, as described below, is present may be adopted by the affirmative vote of the holders of a majority in aggregate principal amount of the outstanding WPC Finance Debt Securities of the applicable series. However, any resolution with respect to any request, demand, authorization, direction, notice, consent, waiver, or other action

that may be made, given or taken by the holders of a specified percentage, other than a majority, in aggregate principal amount of the outstanding WPC Finance Debt Securities of a series may be adopted at a meeting or adjourned meeting duly reconvened at which a quorum is present by the affirmative vote of the holders of that specified percentage in aggregate principal amount of the outstanding WPC Finance Debt Securities of that series. Any resolution passed or decision taken at any meeting of holders of WPC Finance Debt Securities of any series duly held in accordance with the WPC Finance Indenture will be binding on all holders of WPC Finance Debt Securities of that series. The quorum at any meeting called to adopt a resolution, and at any reconvened meeting, will be persons holding or representing a majority in aggregate principal amount of the outstanding WPC Finance Debt Securities of the applicable series, subject to exceptions; *provided*, *however*, that if any action is to be taken at that meeting with respect to a consent or waiver that may be given by the holders of a supermajority in aggregate principal amount of the outstanding WPC Finance Debt Securities of a series, the persons holding or representing that specified supermajority percentage in aggregate principal amount of the outstanding WPC Finance Debt Securities of that series will constitute a quorum.

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Book-entry Procedures, Delivery and Form

Global Clearance and Settlement

Unless otherwise provided in the applicable prospectus supplement, the WPC Finance Debt Securities will be issued in the form of one or more global notes in fully registered form, without coupons, and will be deposited with, or on behalf of, a common depositary, and registered in the name of the nominee of the common depositary for, and in respect of interests held through, Euroclear Bank S.A./N.A as operator (the ***Euroclear Operator***) of the Euroclear system (***Euroclear***) and Clearstream. References to ***global note(s)*** in this Description of WPC Finance Debt Securities and Guarantee refer to such global note(s). Except as described herein, certificates will not be issued in exchange for beneficial interests in the global notes.

Except as set forth below, the global notes may be transferred, in whole and not in part, only to Euroclear, Clearstream or their respective nominees.

Beneficial interests in the global notes will be represented, and transfers of such beneficial interests will be effected, through accounts of financial institutions acting on behalf of beneficial owners as direct or indirect participants in Euroclear or Clearstream. Those beneficial interests will be in denominations specified in the applicable prospectus supplement. Investors may hold WPC Finance Debt Securities directly through Euroclear or Clearstream, if they are participants in such systems, or indirectly through organizations that are participants in such systems.

Owners of beneficial interests in the global notes will not be entitled to have the WPC Finance Debt Securities registered in their names, and, except as described herein, will not receive or be entitled to receive physical delivery of such WPC Finance Debt Securities in definitive form. So long as the common depositary for Euroclear and Clearstream is the registered owner of the global notes, the common depositary for all purposes will be considered the sole holder of the WPC Finance Debt Security represented by the global notes under the WPC Finance Indenture and the global notes. Except as provided below, beneficial owners will not be considered the owners or holders of a WPC Finance Debt Security under the WPC Finance Indenture, including for purposes of receiving any reports delivered by us or the Trustee pursuant to the WPC Finance Indenture. Accordingly, each beneficial owner must rely on the procedures of the clearing systems and, if such person is not a participant of the clearing systems, on the procedures of the participant through which such person owns its interest, to exercise any rights of a holder under the WPC Finance Indenture. Under existing industry practices, if WPC Finance requests any action of holders or a beneficial owner desires to give or take any action which a holder is entitled to give or take under the WPC Finance Indenture, the clearing systems would authorize their participants holding the relevant beneficial interests to give or take action and the participants would authorize beneficial owners owning through the participants to give or take such action or would otherwise act upon the instructions of beneficial owners. Conveyance of notices and other communications by the clearing systems to their participants, by the participants to indirect participants and by the 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. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in certificated form. These limits and laws may impair the ability to transfer beneficial interests in global notes.

Clearstream and Euroclear have indicated that they intend to use the following respective procedures for global notes. Clearstream and Euroclear may change these procedures from time to time. Neither the Company nor WPC Finance is responsible for these procedures. You should contact Clearstream and Euroclear or their respective participants directly to discuss these matters.

Clearstream

Clearstream has advised that it is incorporated under the laws of Luxembourg and licensed as a bank and professional depositary. Clearstream holds securities for its participating organizations and facilitates the clearance and settlement of securities transactions among its participants through electronic book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Clearstream provides to its participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream interfaces with domestic markets in several countries. Clearstream has established an electronic bridge with the Euroclear Operator (as defined below) to facilitate the settlement of trades between the nominees of Clearstream and Euroclear. As a registered bank in Luxembourg, Clearstream is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Sector. Clearstream customers are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations and may include the underwriters. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies that clear through, or maintain a custodial relationship with, a Clearstream participant, either directly or indirectly.

Distributions with respect to WPC Finance Debt Securities held beneficially through Clearstream will be credited to cash accounts of Clearstream participants in accordance with its rules and procedures.

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Euroclear

Euroclear has advised that it was created in 1968 to hold securities for its participants and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear includes various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V. (the ***Euroclear Operator***). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator. Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the underwriters. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related operating procedures of Euroclear, and applicable Belgian law (collectively, the ***Terms and Conditions***). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear participants and has no records of or relationship with persons holding through Euroclear participants.

Distributions with respect to a WPC Finance Debt Security held beneficially through Euroclear will be credited to the cash accounts of Euroclear participants in accordance with the Terms and Conditions.

Euroclear and Clearstream Arrangements

So long as Euroclear or Clearstream or their nominee or their common depositary is the registered holder of the global notes, Euroclear, Clearstream or such nominee, as the case may be, will be considered the sole owner or holder of the WPC Finance Debt Securities represented by such global notes for all purposes under the WPC Finance Indenture and the WPC Finance Debt Securities. Payments of principal, premium, if any, interest and Additional Amounts, if any, in respect of the global notes will be made to Euroclear, Clearstream, such nominee or such common depositary, as the case may be, as registered holder thereof. None of WPC Finance, the Company, the Trustee, any underwriter and any affiliate of any of the above or any person by whom any of the above is controlled (as such term is defined in the Securities Act) will have any responsibility or liability for any records relating to or payments made on account of, beneficial ownership interests in the global notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Distributions of principal, premium, if any, and interest with respect to the global notes will be credited in euro to the extent received by Euroclear or Clearstream from the paying agent to the cash accounts of Euroclear or Clearstream customers in accordance with the relevant system s rules and procedures.

Due to the fact that Euroclear and Clearstream can only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in the global notes to pledge such interest to persons or entities that do not participate in the relevant clearing system, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

Initial Settlement

WPC Finance understands that investors that hold WPC Finance Debt Securities through Clearstream or Euroclear accounts will follow the settlement procedures that are applicable to conventional eurobonds in registered form. Subject to applicable procedures of Clearstream and Euroclear, the WPC Finance Debt Securities will be credited to the securities custody accounts of Clearstream and Euroclear participants on the business day following the settlement date, for the value on the settlement date.

Secondary Market Trading

Due to the fact that the purchaser determines the place of delivery, it is important to establish at the time of trading of any WPC Finance Debt Securities where both the purchaser s and seller s accounts are located to ensure that settlement can be made on the desired value date.

WPC Finance understands that secondary market trading between Clearstream and/or Euroclear participants will occur in the ordinary way following the applicable rules and operating procedures of Clearstream and Euroclear. Secondary market trading will be settled using procedures applicable to conventional eurobonds in global registered form.

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Investors will only be able to make and receive deliveries, payments and other communications involving the WPC Finance Debt Securities through Clearstream and Euroclear on days when those systems are open for business. Those systems may not be open for business on days when banks, brokers and other institutions are open for business in the United States or the Netherlands.

In addition, because of time-zone differences, there may be problems with completing transactions involving Clearstream and Euroclear on the same business day as in the United States. U.S. investors who wish to transfer their interests in the WPC Finance Debt Securities, or to make or receive a payment or delivery of the WPC Finance Debt Securities, on a particular day, may find that the transactions will not be performed until the next business day in Luxembourg or Brussels, depending on whether Clearstream or Euroclear is used.

Clearstream or Euroclear will credit payments to the cash accounts of Clearstream customers or Euroclear participants, as applicable, in accordance with the relevant system s rules and procedures, to the extent received by its depositary. Clearstream or the Euroclear Operator, as the case may be, will take any other action permitted to be taken by a holder under the Indenture on behalf of a Clearstream customer or Euroclear participant only in accordance with its relevant rules and procedures.

Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of the WPC Finance Debt Securities among participants of Clearstream and Euroclear. However, they are under no obligation to perform or continue to perform those procedures, and they may discontinue those procedures at any time.

Exchange of Global Notes for Certificated Notes

Subject to certain conditions, WPC Finance Debt Securities represented by global notes may not be exchanged for certificated notes in definitive form unless:

- the common depositary notifies us that it is unwilling, unable or no longer qualified to continue as depositary for the global notes and WPC Finance fails to appoint a successor depositary within 60 days;

- WPC Finance, at its option, notifies the Trustee in writing that it elects to cause the issuance of certificated notes; or

- there has occurred and is continuing an Event of Default with respect to the WPC Finance Debt Securities.

In all cases, certificated notes delivered in exchange for any global note or beneficial interest therein will be registered in the names, and issued in any approved denominations, requested by or on behalf of the common depositary (in accordance with its customary procedures).

Payments (including principal, premium and interest and Additional Amounts) and transfers with respect to WPC Finance Debt Securities in certificated form may be executed at the office or agency maintained for such purpose in London (initially the corporate trust office of the paying agent specified in the applicable prospectus supplement) or, at WPC Finance s option, by check mailed to the holders thereof at the respective addresses set forth in the register of holders of the WPC Finance Debt Securities (maintained by the registrar specified in the applicable prospectus supplement), provided that all payments (including principal, premium, interest and Additional Amounts) on WPC Finance Debt Securities in certificated form, for which the holders thereof have given wire transfer instructions, will be required to be made by wire transfer of immediately available funds to the accounts specified by the holders thereof. No service charge will be made for any registration of transfer, but payment of a sum sufficient to cover any tax or governmental charge payable in connection with that registration may be required.

Discharge, Legal Defeasance and Covenant Defeasance

Satisfaction and Discharge

Upon WPC Finance s direction, the WPC Finance Indenture will cease to be of further effect with respect to the WPC Finance Debt Securities of any series specified by WPC Finance, subject to the survival of specified provisions of the WPC Finance Indenture, including (unless the accompanying prospectus supplement provides otherwise) WPC Finance s obligation to repurchase such WPC Finance Debt Securities at the option of the holders thereof, if applicable, and WPC Finance s obligation to pay Additional Amounts in respect of such WPC Finance Debt Securities to the extent described below, when:

- either

i. all outstanding WPC Finance Debt Securities of that series have been delivered to the Trustee for cancellation, subject to exceptions, or

ii. all WPC Finance Debt Securities of that series have become due and payable or will become due and payable at their maturity within one year or are to be called for redemption within one year, and WPC Finance or the Company, as applicable,

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has irrevocably deposited with the Trustee, in trust, funds in the currency in which the WPC Finance Debt Securities of that series are payable in an amount sufficient to pay and discharge the entire indebtedness on the WPC Finance Debt Securities of that series, including the principal thereof and, premium, if any, and interest, if any, thereon, and, to the extent that (x) the WPC Finance Debt Securities of that series provide for the payment of Additional Amounts and (y) the amount of any Additional Amounts that are or will be payable is at the time of deposit reasonably determinable by WPC Finance, in the exercise of its sole discretion, those Additional Amounts, to the date of such deposit, if the WPC Finance Debt Securities of that series have become due and payable, or to the stated maturity or redemption date of the WPC Finance Debt Securities of that series, as the case may be;

- WPC Finance or the Company, as applicable, has paid all other sums payable under the WPC Finance Indenture with respect to the WPC Finance Debt Securities of that series (including amounts payable to the Trustee); and

- the Trustee has received an officer s certificate and an opinion of counsel from WPC Finance and the Company to the effect that all conditions precedent to the satisfaction and discharge of the WPC Finance Indenture in respect of the WPC Finance Debt Securities of such series have been satisfied.

If the WPC Finance Debt Securities of any series provide for the payment of Additional Amounts, WPC Finance or the Company, as applicable, will remain obligated, following the deposit described above, to pay Additional Amounts on those WPC Finance Debt Securities to the extent that they exceed the amount deposited in respect of those Additional Amounts as described above.

Legal Defeasance and Covenant Defeasance

Unless otherwise specified in the applicable prospectus supplement, WPC Finance may elect with respect to the WPC Finance Debt Securities of the particular series either:

- to defease and discharge each of itself and the Company, as applicable, from any and all obligations with respect to those WPC Finance Debt Securities (***WPC Finance Legal Defeasance***), except for, among other things:

i. the obligation to pay Additional Amounts, if any, upon the occurrence of specified events of taxation, assessment, or governmental charge with respect to payments on those WPC Finance Debt Securities to the extent that those Additional Amounts exceed the amount deposited in respect of those amounts as provided below,

ii. the obligations to register the transfer or exchange of those WPC Finance Debt Securities,

iii. the obligation to replace temporary or mutilated, destroyed, lost, or stolen WPC Finance Debt Securities,

iv. the obligation to maintain an office or agent of WPC Finance in The City of New York or London, as applicable, in respect of those WPC Finance Debt Securities,

v. the obligation to hold moneys for payment in respect of those WPC Finance Debt Securities in trust, and

vi. the obligation, if applicable, to repurchase those WPC Finance Debt Securities at the option of the holders thereof, or

- to be released from their obligations with respect to those WPC Finance Debt Securities under any covenants as may be specified in the applicable prospectus supplement, and any omission to comply with those obligations will not constitute a default or an Event of Default with respect to those WPC Finance Debt Securities (***WPC Finance Covenant Defeasance***), in either case upon the irrevocable deposit with the Trustee, or other qualifying Trustee, in trust for that purpose, of funds in the currency in which those WPC Finance Debt Securities are payable at maturity or, if applicable, upon redemption, and/or government obligations (as defined in the WPC Finance Indenture) in an amount that, through the payment of principal and interest in accordance with their terms, will provide money, in an amount sufficient, in the written opinion of a nationally recognized firm of independent public accountants or a nationally recognized investment bank, to pay the principal thereof and premium, if any, and interest, if any, thereon, and, to the extent that (x) those WPC Finance Debt Securities provide for the payment of Additional Amounts and (y) the amount of any Additional Amounts that are or will be payable is at the time of deposit reasonably determinable by WPC Finance, in the exercise of its sole discretion, the Additional Amounts with respect to those WPC Finance Debt Securities, and any mandatory sinking fund or analogous payments on those WPC Finance Debt Securities, on the due dates for those payments, whether at stated maturity, upon redemption, upon repurchase at the option of the holder or otherwise.

The WPC Finance Legal Defeasance or WPC Finance Covenant Defeasance described above will only be effective if, among other things:

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- it will not result in a breach or violation of, or constitute a default under, the WPC Finance Indenture or any other agreement or instrument to which WPC Finance or the Company or any of their respective significant subsidiaries is a party or is bound;

- in the case of WPC Finance Legal Defeasance, WPC Finance and the Company will have delivered to the Trustee an opinion of counsel confirming that:

i. WPC Finance (or the Company as guarantor) has received from, or there has been published by, the Internal Revenue Service a ruling; or

ii. since the date of the WPC Finance Indenture, there has been a change in applicable federal income tax law,

in either case to the effect that, and based on this ruling or change the opinion of counsel will confirm that, the holders of the WPC Finance Debt Securities of the applicable series will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the WPC Finance Legal 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 WPC Finance Legal Defeasance had not occurred;

- in the case of WPC Covenant Defeasance, WPC Finance and the Company will have delivered to the Trustee an opinion of counsel to the effect that the holders of the WPC Finance Debt Securities of the applicable series will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the WPC Finance 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 WPC Finance Covenant Defeasance had not occurred;

- if the cash and government obligations deposited are sufficient to pay the outstanding WPC Finance Debt Securities of the applicable series on a particular redemption date, WPC Finance will have given the Trustee irrevocable instructions to redeem those WPC Finance Debt Securities on that date;

- no Event of Default or default that with notice or lapse of time or both would become an Event of Default with respect to WPC Finance Debt Securities of the applicable series will have occurred and be continuing on the date of the deposit into trust; and, solely in the case of WPC Finance Legal Defeasance, no Event of Default arising from specified events of bankruptcy, insolvency, or reorganization with respect to WPC Finance or the Company, as applicable, or default which with notice or lapse of time or both would become such an Event of Default will have occurred and be continuing during the period ending on the 91st day after the date of the deposit into trust; and

- WPC Finance and the Company will have delivered to the Trustee an officer s certificate and opinion of counsel to the effect that all conditions precedent to the WPC Finance Legal Defeasance or WPC Finance Covenant Defeasance, as the case may be, have been satisfied.

In the event WPC Finance effects a WPC Finance Covenant Defeasance with respect to WPC Finance Debt Securities of any series and those WPC Finance 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 the covenants as to which the WPC Finance Covenant Defeasance has been effected, which covenants would no longer be applicable to the WPC Finance Debt Securities of that series after the WPC Covenant Defeasance, the amount of monies and/or government obligations deposited with the Trustee to effect the WPC Covenant Defeasance may not be sufficient to pay amounts due on the WPC Finance Debt Securities of that series at the time of any acceleration resulting from that Event of Default. However, WPC Finance and the Company, as guarantor, would remain liable to make payment of those amounts due at the time of acceleration.

The applicable prospectus supplement may further describe the provisions, if any, permitting or restricting legal defeasance or covenant defeasance with respect to the WPC Finance Debt Securities of a particular series.

Concerning the Trustee

There may be more than one Trustee under the WPC Finance Indenture, each with respect to one or more series of WPC Finance Debt Securities. If there are different Trustees for different series of WPC Finance Debt Securities, each Trustee will be a trustee separate and apart from any other Trustee under the WPC Finance Indenture. Unless otherwise specified in the applicable prospectus supplement, any action permitted to be taken by a Trustee may be taken by such Trustee only with respect to the one or more series of WPC Finance Debt Securities for which it is the trustee under the WPC Finance Indenture. Any Trustee under the WPC Finance Indenture may resign or be removed with respect to one or more series of WPC Finance Debt Securities. All payments of principal of, and premium, if any, and interest, if any, on, and all registration, transfer, exchange, authentication and delivery (including authentication and delivery on original issuance of the WPC Finance Debt Securities) of, the WPC Finance Debt Securities of a series will be effected by the Trustee with respect to that series at an office designated by the Trustee.

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U.S. Bank National Association is the trustee under the WPC Finance Indenture. WPC Finance or the Company may maintain corporate trust relationships in the ordinary course of business with the Trustee. The Trustee will have and be subject to all the duties and responsibilities specified with respect to an indenture trustee under the Trust Indenture Act. Subject to the provisions of the Trust Indenture Act, the Trustee is under no obligation to exercise any of the powers vested in it by the WPC Finance Indenture at the request of any holder of WPC Finance Debt Securities unless offered indemnity or security reasonably acceptable to it by the holder against the costs, expense and liabilities which might be incurred thereby.

Under the Trust Indenture Act, the WPC Finance Indenture is deemed to contain limitations on the right of the Trustee, should it become a creditor of WPC Finance (and the Company, as guarantor), to obtain payment of claims in some cases or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee may engage in other transactions with WPC Finance and the Company. If it acquires any conflicting interest relating to any of its duties with respect to the WPC Finance Debt Securities, however, it must eliminate the conflict or resign as Trustee.

Unless otherwise specified in the applicable prospectus supplement, the Trustee will be the initial paying agent. WPC Finance may at any time designate additional paying agents, rescind the designation of any paying agent or approve a change in the office through which any paying agent acts, except that WPC Finance must maintain a paying agent in each place of payment for each series of WPC Finance Debt Securities.

Governing Law

The WPC Finance Indenture and the WPC Finance Debt Securities will be governed by, and construed in accordance with, the laws of the State of New York.

Notices

All notices to holders of WPC Finance Debt Securities will be validly given if in writing and mailed, first-class postage prepaid, to them at their respective addresses in the register maintained by the Trustee or by electronic means in the case of global securities.

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MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS

RELEVANT TO HOLDERS OF OUR COMMON STOCK

The following is a summary of the material U.S. federal income tax considerations of holding shares of our Common Stock. The law firm of DLA Piper LLP (US) has acted as counsel and reviewed this summary. For purposes of this section, references to we, our and us mean only W. P. Carey Inc. and not its subsidiaries or other lower-tier entities, except as otherwise indicated. This summary is based upon the Code, the regulations promulgated by the U.S. Department of Treasury, rulings and other administrative pronouncements issued by the United States Internal Revenue Service (the ***IRS***), and judicial decisions, all as currently in effect, and all of which are subject to differing interpretations or to change, possibly with retroactive effect. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any of the tax consequences described below. We have not sought and do not currently expect to seek an advance ruling from the IRS regarding any matter discussed in this prospectus. This summary is also based upon the assumption that we will operate our Company and our subsidiaries and affiliated entities in accordance with their applicable organizational documents. This summary is for general information only and does not purport to discuss all aspects of federal income taxation that may be important to a particular investor in light of its investment or tax circumstances or to investors subject to special tax rules, such as:

- financial institutions;
- insurance companies;
- broker-dealers;
- regulated investment companies;
- partnerships and trusts;
- persons subject to the alternative minimum tax;
- persons who hold our stock on behalf of other persons as nominees;

- persons who receive our stock through the exercise of employee stock options (if we ever have employees) or otherwise as compensation;

- persons holding our stock as part of a straddle, hedge, conversion transaction, constructive ownersh