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As filed with the Securities and Exchange Commission on September 30, 2011

Registration No. 333-

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

Form S-3

Registration Statement
Under
The Securities Act of 1933

Prologis, Inc.	**Prologis, L.P.**
(Exact Name of Registrant as Specified in Its Charter)	*(Exact Name of Registrant as Specified in Its Charter)*
Maryland	**Delaware**
(State of Incorporation)	*(State of Incorporation)*
94-3281941	**94-3285362**
(I.R.S. Employer Identification Number)	*(I.R.S. Employer Identification Number)*

Pier 1, Bay 1
San Francisco, California 94111
415-394-9000
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Office)

Edward S. Nekritz, Secretary
Prologis, Inc.
4545 Airport Way
Denver, Colorado 80239
303-567-5000
(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copies to:

Michael L. Hermsen
David Malinger
Mayer Brown LLP
71 South Wacker Drive
Chicago, Illinois 60606
312-782-0600

Approximate date of commencement of proposed sale to the public: From time to time after the Registration Statement becomes effective.

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

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

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

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

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

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

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

Prologis, Inc.:
Large accelerated filer ☑ Accelerated filer ☐
Non-accelerated filer ☐ (Do not check if a smaller reporting company) Smaller reporting company ☐
Prologis, L.P.:
Large accelerated filer ☐ Accelerated filer ☐
Non-accelerated filer ☑ (Do not check if a smaller reporting company) Smaller reporting company ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Prologis, Inc.:				
Common Stock, par value $0.01 per share	(1)(2)	(1)	(1)	(1)(2)
Preferred Stock, par value $0.01 per share	(1)	(1)	(1)	(1)
Rights to Purchase Common Stock	(3)	n/a	n/a	(3)
Guarantees of Debt Securities of Prologis, L.P.	(4)	n/a	n/a	(4)
Prologis, L.P.:				
Debt Securities	(1)	(1)	(1)	(1)

(1) An indeterminate aggregate initial offering price or number of the securities of each identified class is being registered as may from time to time be issued at indeterminate prices. In accordance with Rules 456(b) and 457(r) under the Securities Act, the Registrant is deferring payment of all of the registration fee.

(2) There are hereby registered such indeterminate number of shares of Common Stock, par value $0.01 per share, as may be issued upon the conversion of Preferred Stock of Prologis, Inc. or the exchange of the Exchangeable Debt Securities of Prologis, L.P. for which no separate consideration will be received.

(3) There are hereby registered such indeterminate number of Rights to Purchase Common Stock as may be issued as a dividend for which no separate consideration will be received to holders of Common Stock and related securities entitling such holders to subscribe for and purchase Common Stock registered hereunder.

(4) No separate consideration will be received for the guarantees. Pursuant to Rule 457(n) under the Securities Act, no separate fee is payable with respect to the guarantees being registered hereby.

Prologis, Inc.

Common Stock
Preferred Stock
Guarantees of Debt Securities

Prologis, L.P.

Debt Securities

Prologis, Inc., a Maryland corporation, may offer, from time to time, in one or more series or classes, separately or together, and in amounts, at prices and on terms that Prologis, Inc. will determine at the time of offering, shares of Prologis, Inc.'s common stock, par value $.01 per share, shares of Prologis, Inc.'s preferred stock, par value $.01 per share and/or rights to purchase common stock. In addition, selling stockholders to be named in a prospectus supplement may offer and sell, from time to time, shares of Prologis, Inc.'s common stock and preferred stock in such amounts as set forth in a prospectus supplement. Any such shares may be issued in exchange for partnership units of Prologis, L.P. or Prologis 2, L.P.

Prologis, L.P., a Delaware limited partnership, may offer, from time to time, its debt securities in one or more series, which may be either senior or subordinated, at prices and on terms that it will determine at the time of offering. Prologis, Inc. may unconditionally guarantee the payment obligations on the debt securities on the terms described in this prospectus and in the applicable supplement to this prospectus.

In this prospectus, we refer to the common stock, preferred stock, guarantees, rights to purchase common stock and debt securities registered hereunder collectively as the "securities".

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

Prologis, Inc. is organized and conduct its operations in a manner which we believe allows Prologis, Inc. to qualify as a real estate investment trust for federal income tax purposes. To assist Prologis, Inc. in complying with certain federal income tax requirements applicable to real estate investment trusts, among other purposes, Prologis, Inc.'s charter contains certain restrictions relating to the ownership and transfer of Prologis, Inc. stock, including an ownership limit of 9.8% in value or number (whichever is more restrictive) of Prologis, Inc. common stock. See "Description of Common Stock", "Description of Preferred Stock" and "Restrictions on Ownership and Transfer of Capital Stock".

The securities may be offered directly by us or by any selling stockholder through agents designated from time to time by us or to or through underwriters or dealers. If any agents, dealers or underwriters are involved in the sale of any of the securities, their names, and any applicable purchase price, fee, commission or discount arrangement between or among them will be set forth, or will be calculable from the information set forth, in the applicable prospectus supplement. See the section entitled "About This Prospectus" for more information. No securities may be sold without delivery of this prospectus and the applicable prospectus supplement describing the method and terms of the offering of such series of securities.

Prologis, Inc.'s common stock is listed on the New York Stock Exchange under the symbol "PLD". On September 29, 2011, the last reported sales price of Prologis, Inc.'s common stock on the New York Stock Exchange was $25.43 per share.

Investment in any securities offered by this prospectus involves risk. See "Risk Factors" on page 4 of this prospectus, in our periodic reports filed from time to time with the Securities and Exchange Commission and in the applicable prospectus supplement.

This prospectus may not be used to offer or sell any securities unless accompanied by a 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 September 30, 2011.

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You should rely only on the information contained or incorporated by reference in this prospectus and any accompanying prospectus supplement. We have not authorized anyone else to provide you with different or additional information. We are offering to sell the securities and seeking offers to buy the securities only in jurisdictions where offers and sales are permitted.

We have not authorized any dealer or other person to give any information or to make any representation other than those contained or incorporated by reference in this prospectus and any accompanying supplement to this prospectus. You must not rely upon any information or representation not contained or incorporated by reference in this prospectus or any accompanying supplement to this prospectus. This prospectus and any accompanying supplement to this prospectus do not constitute an offer to sell or the solicitation of an offer to buy any securities other than the registered securities to which they relate, nor do this prospectus and any accompanying supplement to this prospectus constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. You should not assume that the information contained in this prospectus and any accompanying supplement to this prospectus is accurate on any date subsequent to the date set forth on the front of the document or that any information we have incorporated by reference is correct on any date subsequent to the date of the document incorporated by reference, even though this prospectus and any accompanying supplement to this prospectus is delivered or securities are sold on a later date.

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission, or SEC, using a "shelf" registration process. Under this shelf process, we may sell the securities described in this prospectus in one or more offerings. This prospectus sets forth certain terms of the securities that we may offer.

Each time we offer securities, we will attach a prospectus supplement to this prospectus. The prospectus supplement will contain the specific description of the terms of the offering. The prospectus supplement will supersede this prospectus to the extent it contains information that is different from, or that conflicts with, the information contained in this prospectus.

It is important for you to read and consider all information contained in this prospectus and the applicable prospectus supplement in making your investment decision. You should also read and consider the information contained in the documents identified under the heading "Where You Can Find More Information" in this prospectus.

Prologis, Inc. is a real estate investment trust and operates its business primarily through its consolidated subsidiary, Prologis, L.P., a Delaware limited partnership. As of September 28, 2011, Prologis, Inc. owned an approximate 99.55% general partnership interest in Prologis, L.P., excluding preferred units. Unless otherwise indicated or unless the context requires otherwise, each reference in this prospectus to:

- "Prologis", "we", "us", or "our" means Prologis, Inc. and its consolidated subsidiaries, including Prologis, L.P., except where it is made clear that the terms mean Prologis, Inc., Prologis, L.P. or both only;
- the "Operating Partnership" means Prologis, L.P., a Delaware limited partnership, formerly known as AMB Property, L.P.;
- the "Trust" means our subsidiary Prologis, formerly known as ProLogis, a Maryland real estate investment trust; and
- the "merger" means the series of transactions completed on June 3, 2011 pursuant to the terms of the Agreement and Plan of Merger, dated as of January 30, 2011, and amended as of March 9, 2011, by and among AMB Property Corporation, a Maryland corporation, now known as Prologis, Inc., the Operating Partnership, the Trust, Upper Pumpkin LLC, New Pumpkin Inc. and Upper Pumpkin LLC, that resulted in the combined company named Prologis, Inc.

FORWARD-LOOKING STATEMENTS

Some of the information included and incorporated by reference in this prospectus and the accompanying prospectus supplement contains forward-looking statements, which are made pursuant to the safe-harbor provisions of Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 27A of the Securities Act of 1933, as amended. Because these forward-looking statements involve numerous risks and uncertainties, there are important factors that could cause our actual results to differ materially from those in the forward-looking statements, and you should not rely on the forward-looking statements as predictions of future events. The events or circumstances reflected in the forward-looking statements might not occur. You can identify forward-looking statements by the use of forward-looking terminology such as "believes", "expects", "may", "will", "should", "seeks", "approximately", "intends", "plans", "forecasting", "pro forma", "designed to achieve", "estimates" or "anticipates", or the negative of these words and phrases, or similar words or phrases. You can also identify forward- looking statements by discussions of strategy, plans or intentions. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future — including statements relating to rent and occupancy growth, development activity and sales or contribution volume or profitability on such sales and contributions, economic and market conditions in the geographic areas where we operate and the availability of capital in existing or new property funds — are forward-looking statements. Forward-looking statements should not be read as guarantees of future performance or results, and will not necessarily be accurate

indicators of whether, or the time at which, such performance or results will be achieved. There is no assurance that the events or circumstances reflected in forward-looking statements will occur or be achieved. Forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and we may not be able to realize them. We caution you that many forward-looking statements presented in the prospectus and the accompanying prospectus supplement are based on management's beliefs and assumptions made by, and information currently available to, management. Statements contained and incorporated by reference in this prospectus and accompanying prospectus supplement that are not historical facts may be forward-looking statements. Such statements relate to our future performance and plans, results of operations, capital expenditures, acquisitions, and operating improvements and costs.

The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements:

- changes in general economic conditions or in the real estate sector;
- defaults on or non-renewal of leases by customers or renewal at lower than expected rent;
- difficulties in identifying properties to acquire and in effecting acquisitions on advantageous terms and the failure of acquisitions to perform as we expect;
- risks and uncertainties affecting property development, redevelopment and value-added conversion (including construction delays, cost overruns, our inability to obtain necessary permits and financing, our inability to lease properties at all or at favorable rents and terms, public opposition to these activities, as well as the risks associated with our expansion of and increased investment in our development business);
- our failure to form funds, to contribute properties to our co-investment ventures due to such factors as our inability to acquire, develop, or lease properties that meet the investment criteria of such ventures, or our co-investment ventures' inability to access debt and equity capital to pay for property contributions or their allocation of available capital to cover other capital requirements such as future redemptions;
- risks of doing business internationally and global expansion, including unfamiliarity with new markets and social, political, economic and currency risks;
- risks of opening offices globally (including increasing headcount);
- a downturn in the California, U.S., or global economy, industrial distribution sector or real estate conditions and valuations and other financial market fluctuations and disruptions;
- risks of changing personnel and roles;
- losses in excess of our insurance coverage;
- our failure to divest of properties on advantageous terms or to timely reinvest proceeds from any such divestitures, including liquidity risk;
- contingent or unknown liabilities acquired in connection with acquired properties or otherwise;
- our failure to successfully integrate acquired properties and operations;
- risks associated with using debt to fund acquisitions and development, including re-financing or interest rate risks;
- risks related to our obligations in the event of certain defaults under co-investment venture and other debt;
- risks related to our obligations to comply with covenants under our credit agreements and indentures;
- our failure to obtain necessary financing;
- our failure to maintain our current credit agency ratings;

- risks associated with equity and debt securities financings and issuances (including the risk of dilution);
- changes in or failure to comply with local, state, federal and international regulatory requirements, including real estate and zoning laws;
- increases in real property tax rates;
- risks associated with our tax structuring;
- increases in interest rates and operating costs or greater than expected capital expenditures;
- environmental uncertainties and risks related to natural disasters and climate change; and
- our failure to qualify and maintain our status as a real estate investment trust under the Internal Revenue Code of 1986, as amended.

The following additional factors, among others, relating to the merger could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements:

- our failure to successfully integrate the respective business operations of both parties in the merger or our failure to successfully integrate any future acquisitions, maintain key personnel and customer relationships and obtain favorable contract renewals; and
- the failure to realize the anticipated cost savings, synergies and other benefits of the merger.

Our success also depends upon economic trends generally, various market conditions and fluctuations and those other risk factors discussed under the heading “Risk Factors” herein and in the accompanying prospectus supplement and under the heading “Risk Factors” in our and the Trust’s most recent annual reports on Form 10-K and subsequent quarterly reports on Form 10-Q and in our other filings with the SEC that are incorporated by reference in this prospectus and the accompanying prospectus supplement. We caution you not to place undue reliance on forward-looking statements, which reflect our analysis only and speak as of the date of this prospectus or the accompanying prospectus supplement, as applicable, or as of the dates indicated in the statements. All of our forward-looking statements, including those included and incorporated by reference in this prospectus and the accompanying prospectus supplement, are qualified in their entirety by this statement. We assume no obligation to update or supplement forward-looking statements.

RISK FACTORS

You should carefully consider the risks set forth under the caption "Risk Factors" and elsewhere in our and the Trust's most recent annual reports on Form 10-K and subsequent quarterly reports on Form 10-Q, which are incorporated by reference into this prospectus and the accompanying prospectus supplement by reference, as updated by our subsequent filings under the Exchange Act. You should consider carefully those risk factors together with all of the other information included and incorporated by reference in this prospectus and the accompanying prospectus supplement before you decide to purchase our securities.

Risks Related to the Merger

The pro forma financial information incorporated by reference in the registration statement of which this prospectus is a part may not be indicative of our actual results.

The unaudited pro forma combined condensed financial information incorporated by reference in the registration statement of which this prospectus is a part has been presented for informational purposes only and is not necessarily indicative of the financial position or results of operations that actually would have occurred had the merger been completed as of the date indicated, nor is it indicative of our future operating results or financial position. The unaudited pro forma combined condensed financial information does not reflect future events that may occur, including the costs related to the planned integration of both companies in the merger and any future nonrecurring charges resulting from the merger, and does not consider potential impacts of current market conditions on revenues or expense efficiencies.

We may be unable to integrate our businesses successfully and realize the anticipated synergies and related benefits of the merger or do so within the anticipated timeframe.

The merger involved a combination of two companies that previously operated as independent public companies, each of which operated its own private capital platform focused on the industrial real estate sector and served as the sponsor or manager of, or in a similar capacity with respect to, numerous private equity investment vehicles.

We are required to devote significant management attention and resources to integrating the business practices and operations of both parties in the merger. Potential difficulties we may encounter in the integration process include the following:

- the inability to successfully combine the businesses of both parties in the merger in a manner that permits us to achieve the cost savings anticipated to result from the merger, which would result in the anticipated benefits of the merger not being realised in the time frame currently anticipated or at all;
- lost sales and customers as a result of certain customers of either of the two companies deciding not to do business with us;
- the complexities associated with managing the combined businesses out of several different locations and integrating personnel from the two companies;
- the additional complexities of combining two companies with different histories, cultures, regulatory restrictions, markets and customer bases;
- the failure to retain key employees of either of the two companies;
- potential unknown liabilities and unforeseen increased expenses, delays or regulatory conditions associated with the merger; and
- performance shortfalls for us as a result of the diversion of management's attention caused by completing the merger.

For all these reasons, it is possible that the integration process could result in the distraction of our management, the disruption of our ongoing business or the diversion of our resources to the integration process as we attempt to complete the integration process, any of which could adversely affect our financial condition,

results of operations, cash flow and ability to make distributions and payments to our security holders and the market price of our securities.

Our future results will suffer if we do not effectively manage our expanded operations following the merger.

We may continue to expand our operations through additional acquisitions and other strategic transactions, some of which involve complex challenges. Our future success depends, in part, upon our ability to manage our expansion opportunities, which pose substantial challenges for us to integrate new operations into our existing business in an efficient and timely manner, and upon our ability to successfully monitor our operations, costs, regulatory compliance and service quality, and to maintain other necessary internal controls. We cannot assure you that our expansion or acquisition opportunities will be successful, or that we will realize our expected operating efficiencies, cost savings, revenue enhancements, synergies or other benefits.

PROLOGIS, INC. AND PROLOGIS, L.P.

We own, operate, acquire and develop industrial properties in key distribution markets tied to global trade in the Americas, Europe and Asia. We use the terms "industrial properties" or "industrial buildings" to describe the various types of industrial properties in our portfolio and use these terms interchangeably with the following: logistics facilities, centers or warehouses; High Throughput Distribution® (HTD®) facilities; or any combination of these terms.

Prologis, Inc., a Maryland corporation, is a self-administered and self-managed real estate investment trust and we believe that it is qualified, and expect that it will continue to qualify, as a real estate investment trust for federal income tax purposes beginning with the year ended December 31, 1997. As a self-administered and self-managed real estate investment trust, our own employees perform our corporate administrative and management functions, rather than our relying on an outside manager for these services. We believe that real estate is fundamentally a local business and is best operated by local teams in each of our markets. As a vertically integrated company, we actively manage our portfolio of properties. In select markets, we may, from time to time, establish relationships with third-party real estate management firms, brokers and developers that provide some property-level administrative and management services under our direction.

Prologis, L.P., a Delaware limited partnership, commenced operations shortly before the consummation of our initial public offering on November 26, 1997. We operate our business primarily through the Operating Partnership. As of September 28, 2011, Prologis, Inc. owned an approximate 99.55% general partnership interest in the Operating Partnership, excluding preferred units. As the sole general partner of the Operating Partnership, Prologis, Inc. has the exclusive and complete responsibility for and discretion in its day-to-day management and control.

Our global headquarters are located at Pier 1, Bay 1, San Francisco, California 94111; our telephone number is (415) 394-9000. Our global operational headquarters are located at 4545 Airport Way, Denver, Colorado 80239; our telephone number is (303) 567-5000. Our other principal office locations are in Amsterdam, Boston, Chicago, Los Angeles, Mexico City, Shanghai, Singapore and Tokyo. Our website address is http://www.prologis.com. Information contained on our website is not and should not be deemed a part of this prospectus, the accompanying prospectus supplement or any other report or filing filed with the Securities and Exchange Commission.

USE OF PROCEEDS

Unless otherwise described in the applicable prospectus supplement, the net proceeds from the sale of the offered securities will be used for the acquisition and development of properties as suitable opportunities arise, for the repayment of any outstanding indebtedness, for capital improvements to properties and for general corporate purposes.

Additionally, unless Prologis, Inc. indicates otherwise in the applicable prospectus supplement, Prologis, Inc. will initially contribute any proceeds from the sale of the common stock and preferred stock to the Operating Partnership, which, unless indicated otherwise in the applicable prospectus supplement, will directly or indirectly use the proceeds as described above. Pending the application of the net proceeds, the Operating Partnership may invest the proceeds in short-term securities or reduce borrowings under credit facilities.

Neither Prologis, Inc. nor the Operating Partnership will receive any proceeds from any sale of the common stock and preferred stock by any selling stockholders.

RATIOS OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS

For purposes of computing these ratios: (i) "earnings" consist of earnings from continuing operations, excluding income taxes, minority interest share in earnings and fixed charges, other than capitalized interest, and (ii) "fixed charges" consist of interest on borrowed funds, including amounts that have been capitalized, and amortization of capitalized debt issuance costs, debt premiums and debt discounts.

The following table shows our ratio of earnings to combined fixed charges and preferred stock dividends for each of the periods indicated:

	Six Months Ended June 30,	Year Ended December 31,				
	2011	2010	2009	2008	2007	2006
Ratio of earnings (loss), as adjusted, to combined fixed charges and preferred stock dividends(a)	(b)	(b)	(b)	(b)	2.4	2.2

(a) The merger, while considered a "merger of equals", was accounted for as a reverse acquisition using the acquisition method of accounting, resulted with the Trust as the accounting acquirer. As a result, the historical financial information for the periods prior to the merger is that of the Trust.

(b) Our combined fixed charges and preferred stock dividends exceeded our earnings, as adjusted, as defined above, by $228.2 million for the six months ended June 30, 2011. The loss from continuing operations for 2010, 2009 and 2008 includes impairment charges of $1.7 billion, $423.7 million, and $379.7 million, respectively, that are discussed in the Trust's Annual Report on Form 10-K, incorporated herein by reference. Due to these impairment charges, the Trust's combined fixed charges and preferred share dividends exceed its earnings, as adjusted, by $1.7 billion, $423.7 million and $379.7 million for 2010, 2009 and 2008, respectively.

RATIOS OF EARNINGS TO COMBINED FIXED CHARGES

For purposes of computing these ratios: (i) "earnings" consist of earnings from continuing operations, excluding income taxes, minority interest share in earnings and fixed charges, other than capitalized interest, and (ii) "fixed charges" consist of interest on borrowed funds, including amounts that have been capitalized, and amortization of capitalized debt issuance costs, debt premiums and debt discounts.

The following table shows our ratio of earnings to combined fixed charges for each of the periods indicated:

	Six Months Ended June 30,	Year Ended December 31,				
	2011	2010	2009	2008	2007	2006
Ratio of earnings (loss), as adjusted, to combined fixed charges(a)	(b)	(b)	(b)	(b)	2.6	2.4

(a) The merger, while considered a "merger of equals", was accounted for as a reverse acquisition using the acquisition method of accounting, resulted with the Trust as the accounting acquirer. As a result, the historical financial information for the periods prior to the merger is that of the Trust.

(b) Our combined fixed charges exceeded our earnings, as adjusted, as defined above, by $214.2 million for the six months ended June 30, 2011. The loss from continuing operations for 2010, 2009 and 2008 includes impairment charges of $1.1 billion, $495.2 million, and $703.5 million, respectively, that are discussed in the Trust's Annual Report on Form 10-K, incorporated herein by reference. Due to these impairment charges, the Trust's combined fixed charges exceed its earnings, as adjusted, by $1.7 billion, $398.3 million and $354.3 million for 2010, 2009 and 2008, respectively.

GENERAL DESCRIPTION OF SECURITIES

We or any selling stockholders named in a prospectus supplement, directly or through dealers, agents or underwriters designated from time to time, may offer, issue and sell, separately or together, in one or more offerings shares of Prologis, Inc. common stock, par value $.01 per share, and/or shares of our preferred stock, par value $.01 per share, and debt securities. When a particular series of securities is offered, a supplement to this prospectus will be delivered with this prospectus, which will set forth the terms of the offering and sale of the offered securities.

DESCRIPTION OF COMMON STOCK

The following description of our common stock sets forth certain general terms and provisions of the common stock to which any prospectus supplement may relate, including a prospectus supplement which provides for common stock issuable pursuant to subscription offerings or rights offerings or upon conversion of preferred stock which are offered pursuant to such prospectus supplement and convertible into common stock for no additional consideration, and will apply to any common stock offered by this prospectus unless we provide otherwise in the applicable prospectus supplement. The description of the common stock set forth below and in any prospectus supplement does not purport to be complete and is subject to and qualified in its entirety by reference to the applicable provisions of our charter and bylaws and the Maryland General Corporation Law. See “Where You Can Find More Information”.

General

Our charter provides that we are authorized to issue 500,000,000 shares of common stock, par value $.01 per share. As of September 28, 2011, we had 459,033,924 shares of common stock issued and outstanding. Each outstanding share of common stock entitles the holder to one vote on all matters presented to stockholders generally for a vote, including the election of directors. Except as otherwise required by law and except as provided in any resolution adopted by the board of directors establishing any other class or series of stock, the holders of common stock possess the exclusive voting power, subject to the provisions of our charter regarding the ownership of shares of common stock in excess of the ownership limit or any other limit specified in our charter, or otherwise permitted by the board of directors. Holders of shares of common stock do not have any conversion, exchange, sinking fund, redemption or appraisal rights or any preemptive rights to subscribe for any of our securities or cumulative voting rights in the election of directors. All shares of our common stock that are issued and outstanding are duly authorized, fully paid and nonassessable. Subject to the preferential rights of any other shares or series or classes of stock, including our preferred stock, and to the provisions of our charter regarding ownership of shares of common stock in excess of the ownership limit, or such other limit specified in our charter or as otherwise permitted by the board of directors, we may pay distributions to the holders of shares of common stock if and when authorized by the board of directors and declared by us out of funds legally available for distribution.

Under the Maryland General Corporation Law, stockholders are generally not liable for our debts or obligations. If we liquidate, subject to the right of any holders of preferred stock to receive preferential distributions, each outstanding share of common stock will be entitled to participate pro rata in the assets remaining after payment of, or adequate provision for, all of our known debts and liabilities, including debts and liabilities arising out of our status as general partner of the Operating Partnership.

Subject to the provisions of our charter regarding the ownership of shares of common stock in excess of the ownership limit, or such other limit specified in our charter, or as otherwise permitted by the board of directors as described below, all shares of common stock have equal distribution, liquidation and voting rights, and have no preference or exchange rights.

Under the Maryland General Corporation 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 advised by its board of directors and approved by the affirmative vote of at least two-thirds of the votes entitled to be cast on the matter unless a lesser percentage (but not less than a majority of all of the votes entitled to be cast on the matter) is set forth in the corporation’s charter. Under the Maryland General Corporation Law, the term “substantially all of the company’s assets” is not defined and is, therefore, subject to Maryland common law and to judicial interpretation and review in the context of the unique facts and circumstances of any particular transaction. Our charter does not provide for a lesser percentage in any of the above situations.

Our charter authorizes the board of directors to reclassify any unissued shares of capital stock into other classes or series of classes of stock and to establish the number of shares in each class or series and to set the preferences, conversion and other rights, voting powers, restrictions, limitations and restrictions on ownership,

limitations as to dividends or other distributions, qualifications and terms or conditions of redemption for each class or series.

Transfer Agent, Registrar and Dividend Disbursing Agent

The transfer agent, registrar and dividend disbursing agent for our common stock is currently Computershare Trust Company, N.A.

DESCRIPTION OF PREFERRED STOCK

Our charter provides that we are authorized to issue 100,000,000 shares of preferred stock, par value $.01 per share, of which 2,300,000 shares are of a separate class designated as Series L Cumulative Redeemable Preferred Stock, 2,300,000 shares are of a separate class designated as Series M Cumulative Redeemable Preferred Stock, 3,000,000 shares are of a separate class designated as Series O Cumulative Redeemable Preferred Stock, 2,000,000 shares are of a separate class designated as Series P Cumulative Redeemable Preferred Stock, 2,000,000 shares are of a separate class designated as Series Q Cumulative Redeemable Preferred Stock, 5,000,000 shares are of a separate class designated as Series R Cumulative Redeemable Preferred Stock and 5,000,000 shares are of a separate class designated as Series S Cumulative Redeemable Preferred Stock . We currently have 2,000,000 shares of series L preferred stock, 2,300,000 shares of series M preferred stock, 3,000,000 shares of series O preferred stock and 2,000,000 shares of series P preferred stock, 2,000,000 shares of series Q preferred stock, 5,000,000 shares of series R preferred stock and 5,000,000 shares of series S preferred stock issued and outstanding.

The following description summarizes certain general terms and provisions of the preferred stock to which any prospectus supplement may relate and will apply to any preferred stock offered by this prospectus unless we provide otherwise in the applicable prospectus supplement. The description of the preferred stock set forth below and in any prospectus supplement does not purport to be complete and is subject to and qualified in its entirety by reference to the applicable provisions of our charter (including the applicable articles supplementary) and bylaws and the Maryland General Corporation Law. See “Where You Can Find More Information”.

General

We may issue additional shares of preferred stock from time to time, in one or more classes or series, as authorized by our board of directors. Prior to the issuance of shares of each class or series of preferred stock, our board of directors is required by the Maryland General Corporation Law and our charter to fix for each class or series the terms, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications and terms or conditions of redemption, as permitted by Maryland law. Because our board of directors has the power to establish the preferences, powers and rights of each class or series of preferred stock, it may afford the holders of any class or series of preferred stock preferences, powers and rights, voting or otherwise, senior to the rights of holders of shares of common stock, and, subject to any limitations applicable to any outstanding class or series of preferred stock, senior to the rights of the holders of our then outstanding preferred stock. The terms of our outstanding shares of series L, M, O, P, Q, R and S preferred stock, each provide that shares of preferred stock having senior dividend or liquidation rights may not be authorized or issued by us without the prior approval of the holders of each of such series. The issuance of preferred stock, depending on the terms of such class or series, could have the effect of delaying or preventing a change of control that might involve a premium price for holders of shares of preferred stock or shares of common stock or otherwise be in their best interest.

Preferred stock, upon issuance against full payment of the purchase price therefor, will be fully paid and nonassessable. The preferences and other terms of the preferred stock of each class or series will be fixed by the articles supplementary relating to the class or series. The specific terms of a particular class or series of preferred stock will be described in the prospectus supplement relating to that class or series. The description of preferred stock set forth below and the description of the terms of a particular class or series of preferred stock set forth in a prospectus supplement do not purport to be complete and are qualified in their entirety by

reference to the articles supplementary relating to that class or series. A prospectus supplement relating to each class or series of preferred stock will specify the following terms:

- The title and stated value of the preferred stock;
- The number of shares of the preferred stock offered, the liquidation preference per share and the offering price of the preferred stock;
- The dividend rate(s), period(s), and/or payment date(s) or method(s) of calculation thereof applicable to the preferred stock;
- Whether the preferred stock is cumulative or not and, if cumulative, the date from which dividends on the preferred stock will accumulate;
- The provision for a sinking fund, if any, for the preferred stock;
- The provision for redemption, if applicable, of the preferred stock;
- Any listing of the preferred stock on any securities exchange;
- The terms and conditions, if applicable, upon which the preferred stock will be converted into common stock, including the conversion price (or manner of calculation thereof);
- A discussion of any material federal income tax considerations applicable to the preferred stock;
- Any limitations on actual and constructive ownership and restrictions on transfer, in each case as may be appropriate to preserve our status as a real estate investment trust;
- The relative ranking and preferences of the preferred stock as to dividend rights and rights upon liquidation, dissolution or winding up of our affairs;
- Any limitations on issuance of any class or series of preferred stock ranking senior to or on a parity with such class or series of preferred stock as to dividend rights and rights upon liquidation, dissolution or winding up of our affairs;
- Any other specific terms, preferences, rights, limitations or restrictions of the preferred stock; and
- Any voting rights of the preferred stock.

Rank

Unless otherwise specified in the applicable prospectus supplement, the preferred stock will be, with respect to dividends and upon our voluntary or involuntary liquidation, dissolution or winding up:

- senior to all classes or series of common stock and to all of our equity securities the terms of which provide that the equity securities rank junior to the preferred stock;
- junior to all equity securities that we issue or have issued the terms of which provide that such equity securities rank senior to the preferred stock; and
- on a parity with all equity securities that we issue or have issued other than those that are referred to in the bullet points above.

The term “equity securities” does not include convertible debt securities.

Dividends

Holders of shares of the preferred stock of each class or series will be entitled to receive, when, as and if authorized by our board of directors and declared by us, out of our assets legally available for payment, cash dividends at the rates and on the dates as we will set forth in the applicable prospectus supplement. Dividends will be payable to holders of record as they appear on our stock transfer books on the record dates that the board of directors will fix.

Dividends on any class or series of preferred stock may be cumulative or noncumulative, as provided in the applicable prospectus supplement. Dividends, if cumulative, will be cumulative from and after the date set forth in the applicable prospectus supplement. If our board of directors fails to authorize a dividend payable on a dividend payment date on any class or series of preferred stock for which dividends are noncumulative, then the holders of the class or series of preferred stock will have no right to receive a dividend in respect of the dividend period ending on the dividend payment date, and we will have no obligation to pay the dividend accrued for the period, whether or not dividends on the class or series are declared or paid for any future period.

No interest, or sum of money in lieu of interest, will be payable in respect of any dividend payment or payments on any series or class of preferred stock which may be in arrears. Any dividend payment that we make on shares of a series or class of preferred stock will first be credited against the earliest accrued but unpaid dividend due with respect to shares of such series or class that remains payable.

Redemption

If we so provide in the applicable prospectus supplement, the shares of preferred stock will be subject to mandatory redemption or redemption at our option, as a whole or in part, in each case on the terms, at the times and at the redemption prices set forth in the prospectus supplement.

The prospectus supplement relating to a series or class of preferred stock that is subject to mandatory redemption will specify the number of shares of preferred stock that we will redeem in each year commencing after a date to be specified, at a redemption price per share to be specified, together with an amount equal to all accumulated and unpaid dividends thereon (which will not, if the preferred stock does not have a cumulative dividend, include any accumulation in respect of unpaid dividends for prior dividend periods) to the date of redemption. We may pay the redemption price in cash or other property, as specified in the applicable prospectus supplement. If the redemption price for preferred stock of any class or series is payable only from the net proceeds of the issuance of our stock, the terms of the preferred stock may provide that, if no such preferred stock shall have been issued or to the extent the net proceeds from any issuance are insufficient to pay in full the aggregate redemption price then due, the preferred stock will automatically and mandatorily be converted into shares of the applicable stock pursuant to conversion provisions specified in the applicable prospectus supplement.

Notwithstanding the foregoing, if the class or series of preferred stock has a cumulative dividend, unless full cumulative dividends on all outstanding shares of the class or series of preferred stock have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for all past dividend periods, we may not redeem any shares of the class or series of preferred stock unless we simultaneously redeem all outstanding shares of the class or series of preferred stock; provided, however, that the foregoing will not prevent the purchase or acquisition of shares of the series or class of preferred stock pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding shares of the series or class of preferred stock. In addition, unless full cumulative dividends on all outstanding shares of the class or series of preferred stock have been or contemporaneously are declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for all past dividend periods, we may not purchase or otherwise acquire directly or indirectly any shares of such class or series of preferred stock or any of our equity securities ranking junior to or on a parity with such class or series of preferred stock as to dividends or upon voluntary or involuntary liquidation, dissolution or winding up (except by conversion into or exchange for our equity securities ranking junior to such class or series of preferred stock as to dividends and upon voluntary or involuntary liquidation, dissolution or winding up).

The foregoing provisions will not prevent us from acquiring shares of preferred stock pursuant to the provisions of the applicable articles supplementary providing for limitations on ownership and transfer in order to ensure that we remain qualified as a real estate investment trust for federal income tax purposes. See “Restrictions on Ownership and Transfer of Capital Stock”.

If we redeem fewer than all of the outstanding shares of a class or series of preferred stock, we will select the shares that we will redeem pro rata (as nearly as may be practicable without creating fractional

shares), by lot or by any other equitable method that we determine. If this redemption is to be by lot and, as a result of the redemption, any holder of shares of the class or series of preferred stock would become a holder of a number of shares of the class or series of preferred stock in excess of the ownership limit because we did not redeem the holder's shares of the class or series of preferred stock, or we only redeemed those shares in part, then, except as otherwise provided in our charter, we will redeem the requisite number of shares of the series or class of preferred stock of the holder such that no holder will hold in excess of the ownership limit subsequent to the redemption. See "Restrictions on Ownership and Transfer of Capital Stock".

We will give notice of redemption by publication in a newspaper of general circulation in The City of New York. This publication will be made once a week for two successive weeks commencing not less than 30 nor more than 60 days prior to the redemption date. We will mail a similar notice, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date, addressed to the respective holders of record of the preferred stock to be redeemed at their respective addresses as they appear on our share transfer records. No failure to give notice or any defect in notice or in the mailing thereof will affect the validity of the proceedings for the redemption of any shares of the series or class of preferred stock except as to the holder to whom notice was defective or not given. Each notice will state the following:

- the redemption date;
- the redemption price;
- the number of shares of the series or class of preferred stock to be redeemed;
- the place or places where the certificates representing shares of the series or class of preferred stock are to be surrendered for payment of the redemption price; and
- that dividends on the series or class of preferred stock to be redeemed will cease to accumulate on the redemption date.

If we will redeem fewer than all the shares of the class or series of preferred stock held by any holder, the notice that we mail to the holder will also specify the number of shares of the class or series of preferred stock that we will redeem from the holder.

The holders of shares of a class or series of preferred stock at the close of business on a dividend record date will be entitled to receive the dividend payable with respect to the shares of the class or series of preferred stock held on the corresponding dividend payment date notwithstanding the redemption of the shares between the dividend record date and the corresponding dividend payment date or our default in the payment of the dividend due. Except as provided above, we will make no payment or allowance for unpaid dividends, whether or not in arrears, on shares of any class or series of preferred stock to be redeemed.

Subject to applicable law and the limitation on purchases when dividends on a class or series of preferred stock are in arrears, we may, at any time and from time to time, purchase any shares of the class or series of preferred stock in the open market, by tender or by private agreement.

Liquidation Preference

In the event that we voluntarily or involuntarily liquidate, dissolve or wind up, the holders of preferred stock will be entitled to receive out of our assets legally available for distribution to our stockholders remaining after payment or provision for payment of all of our debts and, liquidating distributions in the amount of the liquidation preference per share set forth in the applicable prospectus supplement, plus an amount equal to any accumulated and unpaid dividends to the date of payment, before any distribution of assets is made to holders of common stock or any other equity securities that rank junior to the class or series of preferred stock as to voluntary or involuntary liquidation. After payment of the full amount of the liquidating distributions to which they are entitled, the holders of the class or series of preferred stock will have no right or claim to any of our remaining assets. Our consolidation or merger with or into any other entity, a merger of another entity with or into us, a statutory share exchange by us or the sale, lease, transfer or conveyance of all or substantially all of our property or business will not be considered a liquidation, dissolution or winding up.

If, upon any voluntary or involuntary liquidation, dissolution or winding up, our assets are insufficient to make full payment to holders of such class or series of preferred stock and the corresponding amounts payable on all shares of other classes or series of our equity securities ranking on a parity with the class or series of preferred stock as to liquidation rights, then the holders of the class or series of preferred stock and all other such classes or series of equity securities will share ratably in any distribution of assets in proportion to the full liquidating distributions to which they would otherwise be respectively entitled. In determining whether a distribution (other than upon voluntary or involuntary liquidation, dissolution or winding up) by dividend, redemption or other acquisition of shares of stock or otherwise is permitted under the Maryland General Corporation Law, no effect will be given to amounts that would be needed, if we were to be dissolved at the time of the distribution, to satisfy the preferential rights upon dissolution of holders of shares of the class or series of preferred stock whose preferential rights upon dissolution are superior to those receiving the distribution.

Voting Rights

Holders of the preferred stock will not have any voting rights, except as set forth below or as we indicate in the applicable prospectus supplement.

Unless provided for otherwise by any class or series of preferred stock, so long as any shares of preferred stock of a class or series remain outstanding, we will not, without the affirmative vote or consent of at least two-thirds of the votes entitled to be cast by the holders of such outstanding shares, given in person or by proxy, either in writing or at a meeting (the class or series voting separately as a class) do any of the following:

- authorize or create, or increase the number of authorized or issued shares of, any class or series of stock ranking senior to such series or class of preferred stock with respect to payment of dividends or the distribution of assets upon voluntary or involuntary liquidation, dissolution or winding up;
- reclassify any of our authorized stock into any class or series of stock ranking senior to such series or class of preferred stock;
- create, authorize or issue any obligation or security convertible into, exchangeable or exercisable for, or evidencing the right to purchase, any class or series of stock ranking senior to such series or class of preferred stock; or
- amend, alter or repeal the provisions of our charter, whether by merger or consolidation or otherwise, so as to materially and adversely affect any right, preference, privilege or voting power of the class or series of preferred stock.

So long as shares of the class or series of preferred stock (or shares issued by a surviving entity in substitution for the class or series of preferred stock) remain outstanding with their terms materially unchanged, taking into account that upon the occurrence of such an event, we may not be the surviving entity, the occurrence of an event set forth in the fourth bullet point above will not be considered to materially and adversely affect the rights, preferences, privileges or voting powers of holders of such class or series of preferred stock. Additionally, any increase in the number of authorized shares of preferred stock, any increase in the number of authorized shares of such series or class of preferred stock or the creation or issuance of any other class or series of preferred stock, or any increase in the number of authorized shares of any other class or series of preferred stock, in each case ranking on a parity with or junior to such series or class of preferred stock with respect to payment of dividends and the distribution of assets upon voluntary or involuntary liquidation, dissolution or winding up, will not be considered to materially and adversely affect such rights, preferences, privileges or voting powers.

The foregoing voting provisions will not apply to any class or series of preferred stock if, at or prior to the time when the act with respect to which such vote would otherwise be required shall be effected, all outstanding shares of such class or series of preferred stock have been redeemed or called for redemption upon proper notice and sufficient funds deposited in trust to effect such redemption.

Conversion Rights

We will specify in the applicable prospectus supplement the terms and conditions upon which any shares of any class or series of preferred stock are convertible into common stock. The terms will include:

- the number of shares of common stock into which the shares of preferred stock are convertible;
- the conversion price (or method for calculating the conversion price);
- the conversion period;
- provisions regarding whether conversion will be at the option of the holders of the class or series of preferred stock or the Operating Partnership;
- the events requiring an adjustment of the conversion price; and
- provisions affecting conversion in the event of the redemption of the class or series of preferred stock.

Transfer Agent, Registrar and Dividend Disbursing Agent

The transfer agent, registrar and dividend disbursing agent for our preferred stock is currently Computershare Trust Company, N.A. If different, we will specify in the applicable prospectus supplement the transfer agent, registrar and dividend disbursing agent for any class or series of preferred stock offered by that prospectus supplement.

RESTRICTIONS ON OWNERSHIP AND TRANSFER OF CAPITAL STOCK

In order for us to qualify as a real estate investment trust under the Internal Revenue Code, no more than 50% in value of all classes of our outstanding shares of capital stock may be owned, actually or constructively, by five or fewer individuals (as defined in the Internal Revenue Code to include certain entities) during the last half of a taxable year (other than the first year for which we have made an election to be treated as a real estate investment trust). In addition, if we, or an owner of 10% or more of our capital stock, actually or constructively own 10% or more of one of our tenants (or a tenant of any partnership or limited liability company in which we are a partner or member), the rent received by us (either directly or through the partnership or limited liability company) from the tenant will not be qualifying income for purposes of the gross income tests for real estate investment trusts contained in the Internal Revenue Code. A real estate investment trust's stock also 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 (other than the first year for which an election to be treated as a real estate investment trust has been made).

Because our board of directors currently believes it is desirable for us to qualify as a real estate investment trust, our charter, subject to certain exceptions as discussed below, provides that no person may own, or be deemed to own by virtue of the constructive ownership provisions of the Internal Revenue Code, (i) more than 9.8% (by value or number of shares, whichever is more restrictive) of each of our issued and outstanding common stock, series L preferred stock, series M preferred stock, series O preferred stock and series P preferred stock, or (ii) series Q preferred stock, series R preferred stock or series S preferred stock that, together with all other capital stock owned or deemed owned by such person, would cause such person to own or be deemed to own more than 9.8% (by value or number of shares, whichever is more restrictive) of our issued and outstanding capital stock. Further, subject to certain exceptions, no person, or persons acting as a group, shall at any time directly or indirectly acquire ownership of more than 25% of any of the series Q preferred stock, series R preferred stock and series S preferred stock. With respect to the 9.8% ownership limit, the constructive ownership rules under the Internal Revenue Code are complex and may cause stock owned actually or constructively by a group of related individuals and/or entities to be owned constructively by one individual or entity. As a result, the acquisition of less than 9.8% of our common stock, series L preferred stock, series M preferred stock, series O preferred stock, series P preferred stock, series Q preferred stock, series R preferred stock, series S preferred stock or any other capital stock (or the acquisition of an interest in an entity that owns, actually or constructively, common stock, series L preferred stock, series M

preferred stock, series O preferred stock, series P preferred stock, series Q preferred stock, series R preferred stock, series S preferred stock or any other capital stock) by an individual or entity could nevertheless cause that individual or entity, or another individual or entity, to own constructively in excess of 9.8% of our outstanding common stock, series L preferred stock, series M preferred stock, series O preferred stock, series P preferred stock or any other capital stock, as the case may be, and thereby subject the common stock, series L preferred stock, series M preferred stock, series O preferred stock, series P preferred stock, series Q preferred stock, series R preferred stock, series S preferred stock or any other capital stock to the applicable ownership limit. The board of directors may, but in no event will be required to, waive the 9.8% and 25% ownership limits, as applicable, with respect to a particular stockholder if it determines that such ownership will not jeopardize our status as a real estate investment trust and the board of directors otherwise decides such action would be in our best interest. As a condition of such waiver, the board of directors may require an opinion of counsel satisfactory to it and/or undertakings or representations from the applicant with respect to preserving our real estate investment trust status.

Our charter also provides that:

- no person may actually or constructively own common stock, series L preferred stock, series M preferred stock, series O preferred stock, series P preferred stock, series Q preferred stock, series R preferred stock or series S preferred stock that would result in us being "closely held" under Section 856(h) of the Internal Revenue Code or otherwise cause us to fail to qualify as a real estate investment trust;
- no person may transfer common stock, series L preferred stock, series M preferred stock, series O preferred stock, series P preferred stock, series Q preferred stock, series R preferred stock or series S preferred stock, if a transfer would result in shares of our capital stock being beneficially owned by fewer than 100 persons; and
- any person who acquires or attempts or intends to acquire actual or constructive ownership of common stock, series L preferred stock, series M preferred stock, series O preferred stock, series P preferred stock, series Q preferred stock, series R preferred stock or series S preferred stock that will or may violate any of the foregoing restrictions on transferability and ownership is required to notify us immediately and provide us with such other information as we may request in order to determine the effect of the transfer on our status as a real estate investment trust.

These restrictions on transferability and ownership will not apply if our board of directors determines that it is no longer in our best interest to attempt to qualify, or to continue to qualify, as a real estate investment trust and such determination is approved by the affirmative vote of holders owning at least two-thirds of the shares of our outstanding capital stock entitled to vote thereon. Except as otherwise described above, any change in the applicable ownership limit would require an amendment to our charter, which must be declared advisable by our board of directors and approved by the affirmative vote of holders owning at least two-thirds of the shares of our outstanding capital stock entitled to vote on the amendment.

Under our charter, if any attempted transfer of shares of stock or any other event would otherwise result in any person violating an ownership limit, any other limit imposed by our board of directors or the other restrictions in the charter, then any such attempted transfer will be void and of no force or effect with respect to the purported transferee as to that number of shares that exceeds the applicable ownership limit or such other limit or restriction (referred to as "excess shares"). Under those circumstances, the prohibited transferee will acquire no right or interest (or, in the case of any event other than an attempted transfer, the person or entity holding record title to any shares in excess of the applicable ownership limit will cease to own any right or interest) in the excess shares. Any excess shares described above will be transferred automatically, by operation of law, to a trust, the beneficiary of which will be a qualified charitable organization selected by us. This automatic transfer will be considered to be effective as of the close of business on the business day prior to the date of the violating transfer or event. Within 20 days of receiving notice from us of the transfer of shares to such trust, the trustee of such trust will be required to sell the excess shares to a person or entity who could own the shares without violating the applicable ownership limit, or any other limit imposed by our board of directors, and distribute to the prohibited transferee an amount equal to the lesser of the price paid by

the prohibited transferee for the excess shares or the sales proceeds received by such trust for the excess shares. In the case of any excess shares resulting from any event other than a transfer, or from a transfer for no consideration (such as a gift), the trustee will be required to sell the excess shares to a qualified person or entity and distribute to the prohibited owner an amount equal to the lesser of the applicable market price of the excess shares as of the date of the event or the sales proceeds received by such trust for the excess shares. In either case, any proceeds in excess of the amount distributable to the prohibited transferee or prohibited owner will be distributed to the beneficiary. Prior to a sale of any excess shares by such trust, the trustee will be entitled to receive, in trust for the beneficiary, all dividends and other distributions paid by us with respect to the excess shares, and also will be entitled to exercise all voting rights with respect to the excess shares. Subject to Maryland law, effective as of the date that the shares have been transferred to such trust, the trustee will have the authority (at the trustee's sole discretion) to rescind as void any vote cast by a prohibited transferee or prohibited owner prior to the time that we discover that the shares have been automatically transferred to such trust and to recast the vote in accordance with the desires of the trustee acting for the benefit of the beneficiary. However, if we have already taken irreversible corporate action, then the trustee will not have the authority to rescind and recast the vote. If we pay the prohibited transferee or prohibited owner any dividend or other distribution before we discover that the shares were transferred to such trust, the prohibited transferee or prohibited owner will be required to repay the trustee upon demand for distribution to the beneficiary. If the transfer to such trust is not automatically effective (for any reason), to prevent violation of the applicable ownership limit or any other limit provided in our charter or imposed by the board of directors, then our charter provides that the transfer of the excess shares will be void ab initio and the intended transferee will acquire no rights to such shares.

In addition, shares of stock held in such trust will be considered to have been offered for sale to us, or our designee, at a price per share equal to the lesser of (1) the price per share in the transaction that resulted in the transfer to such trust (or, in the case of a devise or gift, the market price at the time of such devise or gift) and (2) the applicable market price on the date that we, or our designee, accept the offer. We have the right to accept the offer until the trustee has sold the shares held in such trust. Upon that sale to us, the interest of the beneficiary in the shares sold will terminate and the trustee will distribute the net proceeds of the sale to the prohibited transferee or prohibited owner.

If any attempted transfer of shares would cause us to be beneficially owned by fewer than 100 persons, our charter provides that the transfer will be void *ab initio* and the intended transferee will acquire no rights to such shares.

All certificates representing shares will bear a legend referring to the restrictions described above.

Under our charter, owners of our issued and outstanding common stock must, upon our demand, provide us with a completed questionnaire containing information regarding ownership of the shares, as set forth in the treasury regulations, and must upon demand disclose to us in writing such information that we may request in order to determine the effect, if any, of the stockholder's actual and constructive ownership of shares of our stock, on our status as a real estate investment trust and to ensure compliance with each ownership limit, or any other limit specified in our charter or required by the board of directors. In addition, owners of our series L preferred stock, series M preferred stock, series O preferred stock, series P preferred stock, series Q preferred stock, series R preferred stock and series S preferred stock must provide to us information that we request, in good faith, in order to determine our status as a real estate investment trust.

CERTAIN PROVISIONS OF MARYLAND LAW AND OF OUR CHARTER AND BYLAWS

We have summarized certain terms and provisions of the Maryland General Corporation Law and our charter and bylaws. This summary is not complete and is qualified by the provisions of our charter and bylaws, and the Maryland General Corporation Law. See "Where You Can Find More Information".

For restrictions on ownership and transfer of our capital stock contained in our charter, see "Restrictions on Ownership and Transfer of Capital Stock".

Board of Directors

Our charter provides that the number of our directors shall be established by the bylaws, but cannot be less than the minimum number required by the Maryland General Corporation Law, which is one. There are currently eleven members of our board of directors, but our bylaws provide the board of directors with the authority to increase or decrease the number of directors, without amendment of the bylaws, to a number of directors not fewer than five nor more than thirteen. Because our board has the power to amend our bylaws, it could modify the bylaws to change that range. Subject to the rights of holders of our preferred stock, our board of directors may fill any vacancy (including a vacancy caused by removal) subject in the case of a vacancy caused by removal to approval by the stockholders. Our bylaws provide that a majority of our board of directors must be independent directors, as defined from time to time by the listing standards of the New York Stock Exchange and any other relevant laws, rules and regulations. Our bylaws also provide for the election of directors by a majority vote in uncontested elections.

Removal of Directors

While our charter and the Maryland General Corporation Law empower our stockholders to fill vacancies in our board of directors that are caused by the removal of a director, our charter precludes stockholders from removing incumbent directors except upon a substantial affirmative vote. Specifically, our charter provides that stockholders may remove a director only for cause and only by the affirmative vote of at least two-thirds of the votes entitled to be cast in the election of directors, subject to the rights of the holders of shares of our preferred stock to elect and remove directors elected by such holders under certain circumstances. The Maryland General Corporation Law does not define the term “cause”. As a result, removal for “cause” is subject to Maryland common law and to judicial interpretation and review in the context of the unique facts and circumstances of any particular situation. This provision, when coupled with the provision in our bylaws authorizing our board of directors to fill vacant directorships, precludes stockholders from removing incumbent directors except upon a substantial affirmative vote and filling the vacancies created by removal with their own nominees.

Opt Out of Business Combinations and Control Share Acquisition Statutes

We have elected in our bylaws not to be governed by the “control share acquisition” provisions of the Maryland General Corporation Law (Sections 3-70 1 through 3-709), and our board of directors has determined, by irrevocable resolution, that we will not be governed by the “business combination” provision of the Maryland General Corporation Law (Section 3-602). Our bylaws provide that we cannot at a future date determine to be governed by either provision without the approval of a majority of the outstanding shares of common stock entitled to vote. In addition, the irrevocable resolution adopted by our board of directors may only be changed by the approval of a majority of the outstanding shares of common stock entitled to vote.

Certain Elective Provisions of Maryland Law

Any Maryland corporation that has a class of securities registered under the Securities Exchange Act of 1934, as amended, and at least three independent directors may elect to be governed in whole or in part by Maryland law provisions relating to extraordinary actions and unsolicited takeovers. We have not elected to be governed by these specific provisions, but we currently have more than three independent directors, so our board of directors could elect to provide for any of the following provisions. Pursuant to these provisions, the board of directors of any Maryland corporation fitting such description, without obtaining stockholder approval and notwithstanding a contrary provision in its charter or bylaws, may elect to:

- classify the board;
- increase the required stockholder vote to remove a director to two-thirds of all the votes entitled to be cast by the shareholders generally in the election of directors; and/or
- require that a stockholder requested special meeting need be called only upon the written request of the stockholders entitled to cast a majority of all the votes entitled to be cast at the meeting.

Additionally, the board could provide that:

- the number of directors may be fixed only by a vote of the board of directors;
- each vacancy on the board of directors (including a vacancy resulting from the removal of a director by the stockholders) may be filled only by the affirmative vote of a majority of the remaining directors in office, even if the remaining directors do not constitute a quorum; and/or
- any director elected to fill a vacancy will hold office for the full remainder of the term of the class of directors in which the vacancy occurred, rather than until the next election of directors.

These provisions do not provide for limits on the power of a corporation to confer on the holders of any class or series of preferred stock the right to elect one or more directors.

Although we have not elected to be governed by these provisions, our charter and/or bylaws already provide for a two-thirds vote to remove directors and only for cause, and provide that the number of directors may be determined by a resolution of our board (or by our stockholders through a bylaw amendment), subject to a minimum and maximum number, and that our secretary must call a special meeting of stockholders only upon the written request of stockholders entitled to cast at least 50% of all votes entitled to be cast at the meeting.

Certain Bylaw Provisions Related to Our Co-Chief Executive Officers

As of the date of this prospectus, our bylaws provide that the affirmative vote of at least 75% of our independent directors will be required to take any of the following actions:

- removal of Hamid R. Moghadam from the office of our co-chief executive officer prior to December 31, 2012 or removal of Mr. Moghadam from the office of our chief executive officer or chairman of our board of directors prior to December 31, 2014;
- removal of Walter C. Rakowich as our co-chief executive officer prior to December 31, 2012;
- appointment of any person as our chief executive officer or co-chief executive officer, other than, prior to December 31, 2012, Mr. Moghadam or Mr. Rakowich, or, after December 31, 2012 and prior to December 31, 2014, Mr. Moghadam;
- appointment of any person, other than Mr. Moghadam, as our chairman or co-chairman of the board of directors prior to December 31, 2014;
- failure to nominate Mr. Moghadam or Mr. Rakowich as our director in any election of directors where the term of such directorship commences prior to December 31, 2014 or December 31, 2012, respectively; or
- a material alteration, limitation or curtailment of the authority granted pursuant to our bylaws to the chief executive officer, co-chief executive officer or chairman of the board prior to December 31, 2014.

Amendment to Our Charter and Bylaws

Our charter may not be amended without the affirmative vote of at least two-thirds of the shares of capital stock outstanding and entitled to vote on the amendment, voting together as a single class.

Except as described in the following paragraph, our bylaws may be amended by the vote of a majority of the board of directors or by a vote of a majority of the shares of our capital stock entitled to vote on the amendment, except with respect to the following bylaw provisions (each of which requires the approval of a majority of the shares of common stock entitled to vote on the amendment):

- provisions opting out of the control share acquisition statute;
- provisions confirming that our board of directors has determined by irrevocable resolution that we will not be governed by the business combination provision of the Maryland General Corporation Law;

- the requirement in our bylaws that our independent directors approve transactions involving our executive officers or directors or any limited partners of the Operating Partnership and their affiliates; and
- provisions governing amendment of our bylaws.

Further, prior to December 31, 2014, provisions of our bylaws described under the heading "— Certain Bylaw Provisions Related to Our Co-Chief Executive Officers" may be modified, amended or repealed, and any bylaw provision inconsistent with such provisions may be adopted, only by an affirmative vote of at least 75% of our independent directors.

Meetings of Stockholders

Our bylaws provide for annual meetings of stockholders to elect the board of directors and transact other business as may properly be brought before the meeting. The chief executive officer, a co-chief executive officer, president, the board of directors and the chairman of the board may call a special meeting of stockholders. Additionally, our bylaws provide that the secretary shall call a special meeting of the stockholders upon the written request of stockholders entitled to cast at least 50% of all votes entitled to be cast at the meeting.

The Maryland General Corporation Law provides that stockholders may act without a meeting with respect to any action that they are required or permitted to take at a meeting, if a unanimous consent which sets forth the action is given in writing or by electronic transmission by each stockholder and filed in paper or electronic form with the records of the stockholders' meetings.

Advance Notice of Director Nominations and New Business

Our bylaws provide that with respect to an annual meeting of stockholders, nominations of persons for election to the board of directors and the proposal of business to be considered by stockholders may be made only:

- pursuant to the notice of the meeting;
- by or at the direction of the board of directors; or
- by a stockholder who is entitled to vote at the meeting, was a stockholder of record both at the time of giving notice and at the time of the meeting and has complied with the advance notice procedures set forth in our bylaws.

Our bylaws also provide that with respect to special meetings of stockholders, only the business specified in the notice of meeting may be brought before the meeting. Nomination of individuals for election to our board of directors at a special meeting may only be made:

- pursuant to our notice of meeting;
- by or at the direction of our board of directors;
- by any committee of persons appointed by the board of directors with authority therefor; or
- provided that our board of directors has determined that directors will be elected at the special meeting, by a stockholder who has complied with the advance notice provisions of the bylaws and was a stockholder of record both at the time of giving notice and at the time of the meeting.

The provisions in our charter regarding amendments to the charter and the advance notice provisions of our bylaws could have the effect of discouraging a takeover or other transaction in which holders of some, or a majority, of the shares of common stock might receive a premium for their shares over the then prevailing market price or which holders might believe to be otherwise in their best interests.

Dissolution of Prologis, Inc.

Under the Maryland General Corporation Law, we may be dissolved upon the affirmative vote of a majority of the entire board of directors declaring dissolution to be advisable, and approval of the dissolution at any annual or special stockholders meeting by the affirmative vote of the holders of two- thirds of the total number of shares of capital stock outstanding and entitled to vote on the dissolution, voting as a single class.

Indemnification and Limitation of Directors' and Officers' Liability

Our officers and directors are indemnified under the Maryland General Corporation Law, our charter and the partnership agreement of the Operating Partnership against certain liabilities. Our charter and bylaws require us to indemnify our directors and officers to the fullest extent permitted from time to time by the Maryland General Corporation Law.

The Maryland General Corporation Law permits a corporation to indemnify its directors and officers and certain other parties against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made or threatened to be made a party by reason of their service in those or other capacities unless:

- the act or omission of the director or officer was material to the matter giving rise to the proceeding and was committed in bad faith or was the result of active and deliberate dishonesty;
- the director or officer actually received an improper personal benefit in money, property or services; or
- in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful.

A corporation may indemnify a director or officer against judgments, penalties, fines, settlements and reasonable expenses that the director or officer actually incurs in connection with the proceeding unless the proceeding is one by or in the right of the corporation and the director or officer has been adjudged to be liable to the corporation. In addition, a corporation may not indemnify a director or officer with respect to any proceeding charging improper personal benefit to the director or officer in which the director or officer was adjudged to be liable on the basis that a personal benefit was improperly received. A court may order indemnification in these circumstances but only for expenses. The termination of any proceeding by conviction, or upon a plea of *nolo contendere* or its equivalent, or an entry of any order of probation prior to judgment, creates a rebuttable presumption that the director or officer did not meet the requisite standard of conduct required for indemnification to be permitted.

The Maryland General Corporation Law permits the charter of a Maryland corporation to include a provision limiting the liability of its directors and officers to the corporation and its stockholders for money damages, subject to specified restrictions. Our charter contains this provision. The Maryland General Corporation Law does not, however, permit the liability of directors and officers to the corporation or its stockholders to be limited to the extent that:

- it is proved that the person actually received an improper benefit or profit in money, property or services; or
- a judgment or other final adjudication adverse to the person is entered in a proceeding based on a finding in the proceeding that the person's action, or failure to act, was the result of active and deliberate dishonesty and was material to the cause of action adjudicated in the proceeding.

This provision does not limit our ability or our stockholders' ability to obtain other relief, such as an injunction or rescission. The partnership agreement of the Operating Partnership also provides for our indemnification, as general partner, and our officers and directors to the same extent indemnification is provided to our officers and directors in our charter, and limits our liability and the liability of our officers and directors to the Operating Partnership and the partners of the Operating Partnership to the same extent liability of our officers and directors to us and our stockholders is limited under our charter.

Insofar as the foregoing provisions permit indemnification for liability arising under the Securities Act of directors, officers or persons controlling us, we have been informed that in the opinion of the SEC, this indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

We have entered into indemnification agreements with each of our executive officers and directors. The indemnification agreements require, among other matters, that we indemnify our executive officers and directors to the fullest extent permitted by law and reimburse the executive officers and directors for all related expenses as incurred, subject to return if it is subsequently determined that indemnification is not permitted.

DESCRIPTION OF CERTAIN PROVISIONS OF THE PARTNERSHIP AGREEMENT OF PROLOGIS, L.P.

Substantially all of our assets are held, and all of our operations are conducted, by or through the Operating Partnership. As the sole general partner of the Operating Partnership, we have the exclusive right and power to manage the Operating Partnership. Our interest in the Operating Partnership is designated as a general partner interest. Except with respect to distributions of cash and allocations of income and loss, and except as otherwise noted in this prospectus, the description in this section of common limited partnership units is also applicable to performance units. See "— Performance Units" below. We have summarized certain terms and provisions of the Operating Partnership's partnership agreement. This summary is not complete and is qualified by the provisions of the partnership agreement. See "Where You Can Find More Information".

General

Holders of limited partnership units hold limited partnership interests in the Operating Partnership, and all holders of partnership interests (including us in our capacity as general partner) are entitled to share in cash distributions from, and in the profits and losses of, the Operating Partnership. The number of general partnership units held by us is approximately equal to the total number of outstanding shares of our common stock and preferred stock. Accordingly, the distributions that we pay per share of common stock are expected to be equal to the distributions per unit that the Operating Partnership pays on the common units. Similarly, the distributions that we pay per share of series L, M, O, P, Q, R or S preferred stock outstanding are expected to be equal to the distributions per unit that the Operating Partnership pays on the corresponding series of preferred units. The units have not been registered pursuant to federal or state securities laws, and they will not be listed on the New York Stock Exchange or any other exchange or quoted on any national market system. However, the shares of common stock and preferred stock that we may issue upon exchange of the common units and the preferred units of the Operating Partnership may be sold in registered transactions or transactions exempt from registration under the Securities Act. The limited partners of the Operating Partnership have the rights to which limited partners are entitled under the partnership agreement and the Delaware Revised Uniform Limited Partnership Act. The partnership agreement imposes certain restrictions on the transfer of Operating Partnership units, as described below.

Purpose, Business and Management

The Operating Partnership is organized as a Delaware limited partnership pursuant to the terms of the partnership agreement. We are the sole general partner of the Operating Partnership and conduct substantially all of our business through the Operating Partnership. The primary purpose of the Operating Partnership is, in general, to acquire, purchase, own, operate, manage, develop, redevelop, invest in, finance, refinance, sell, lease and otherwise deal with properties and assets related to those properties, and interests in those properties and assets. The Operating Partnership is authorized to conduct any business that a limited partnership formed under the Delaware Revised Uniform Limited Partnership Act may lawfully conduct, subject to the limitation that the partnership agreement requires the Operating Partnership to conduct its business in such a manner that will permit us to be classified as a real estate investment trust under Section 856 of the Internal Revenue Code, unless we cease to qualify as a real estate investment trust for reasons other than the conduct of the business of the Operating Partnership. The Operating Partnership is generally authorized to take any lawful

actions consistent with this purpose. This includes the authority to enter into partnerships, joint ventures or similar arrangements and to own interests directly or indirectly in any other entity.

As the general partner of the Operating Partnership we have the exclusive power and authority to conduct the business of the Operating Partnership, subject to the consent of the limited partners in certain limited circumstances (as discussed below) and except as expressly limited in the partnership agreement.

We have the right to make all decisions and take all actions with respect to the Operating Partnership's acquisition and operation of our properties and all other assets and businesses of or related to the Operating Partnership. No limited partner may take part in the conduct or control of the business or affairs of the Operating Partnership by virtue of its interest in the partnership. In particular, each limited partner expressly acknowledges in the partnership agreement that as general partner, we are acting on behalf of the Operating Partnership's limited partners and our stockholders, collectively, and are under no obligation to consider the tax consequences to limited partners when making decisions for the benefit of the Operating Partnership. We and the Operating Partnership have no liability to any limited partner as a result of any liabilities or damages incurred or suffered by, or benefits not derived by, a limited partner as a result of our action or inaction as general partner of the Operating Partnership so long as we acted in good faith. Limited partners have no right or authority to act for or to bind the Operating Partnership. Limited partners of the Operating Partnership have no authority to transact business for, or to otherwise participate in the management activities or decisions of, the Operating Partnership, except as expressly provided in the partnership agreement or as required by applicable law.

Engaging in Other Businesses; Conflicts of Interest; Transactions With Us and Our Affiliates

We may not conduct any business other than in connection with the ownership, acquisition and disposition of Operating Partnership interests as a general partner and the management of the business of the Operating Partnership, our operation as a public reporting company with a class (or classes) of securities registered under the Securities Exchange Act of 1934, as amended, our operation as a real estate investment trust and activities that are incidental to these activities without the consent of the holders of a majority of the limited partnership interests. Unless it otherwise agrees, each limited partner, and its affiliates, is free to engage in any business or activity, even if the business or activity competes with or is enhanced by the business of the Operating Partnership. The Operating Partnership's partnership agreement does not prevent another person or entity that acquires control of us in the future from conducting other businesses or owning other assets, even if it would be in the best interests of the limited partners for the Operating Partnership to own those businesses or assets.

In the exercise of our power and authority under the partnership agreement, we may contract and otherwise deal with, or otherwise obligate the Operating Partnership to, entities in which we or any one or more of our officers, directors or stockholders may have an ownership or other financial interest. We may retain persons or entities that we select (including ourselves, any entity in which we have an interest, or any entity with which we are affiliated) to provide services to or on behalf of the Operating Partnership. Except as expressly permitted by the partnership agreement, however, our affiliates may not engage in any transactions with the Operating Partnership except on terms that are fair and reasonable to the Operating Partnership and no less favorable to the Operating Partnership than it would obtain from an unaffiliated third party.

Our Reimbursement

We do not receive any compensation for our services as general partner of the Operating Partnership. However, as a partner in the Operating Partnership, we have rights to allocations and distributions as a partner of the Operating Partnership. In addition, the Operating Partnership reimburses us for all expenses we incur relating to ownership of interests in and operation of, or for the benefit of, the Operating Partnership. The Operating Partnership will reimburse us for all expenses incurred relating to the ongoing operation of the Operating Partnership and any issuance of additional partnership interests in the Operating Partnership. These expenses include those incurred in connection with the administration and activities of the Operating Partnership, such as the maintenance of the Operating Partnership's books and records, management of the

Operating Partnership's property and assets, and preparation of information regarding the Operating Partnership provided to the partners in the preparation of their individual tax returns.

Our Exculpation and Indemnification

The partnership agreement generally provides that neither we, as general partner of the Operating Partnership, nor any of our officers, directors or employees, will be liable to the Operating Partnership or any limited partner for losses sustained, liabilities incurred, or benefits not derived as a result of errors in judgment or for any mistakes of fact or law or for anything that we may do or not do in connection with the business and affairs of the Operating Partnership if we carry out our duties in good faith. Our liability in any event is limited to our interest in the Operating Partnership. We have no further liability for the loss of any limited partner's capital. In addition, we are not responsible for any misconduct, negligent act or omission of any of our consultants, contractors or agents, or any of the Operating Partnership's consultants, contractors or agents provided that we have used good faith in the selection of those contractors, consultants and agents. We may consult with legal counsel, accountants, appraisers, management consultants, investment bankers and other consultants and advisors that we select. Any action we take or fail to take in reliance upon the opinion of such a consultant on a matter that we reasonably believe is within the consultant's professional or expert competence is presumed to be done in good faith.

The partnership agreement also requires the Operating Partnership to indemnify us, our directors and officers, and other persons that we may from time to time designate against any loss or damage, including reasonable legal fees and court costs incurred by the person by reason of anything the person may do or not do for or on behalf of the Operating Partnership or in connection with its business or affairs unless it is established that:

- the act or omission of the indemnified person was material to the matter giving rise to the proceeding and either the indemnified person committed the act or omission in bad faith or as the result of active and deliberate dishonesty;
- the indemnified person actually received an improper personal benefit in money, property or services; or
- in the case of any criminal proceeding, the indemnified person had reasonable cause to believe that the act or omission was unlawful.

Any indemnification claims must be satisfied solely out of the assets of the Operating Partnership and any insurance proceeds from the liability policy covering our officers and directors and such other persons that we may from time to time designate. The Operating Partnership may also purchase and maintain insurance on behalf of our directors and officers, and other persons that we may from time to time designate, against any liability, and related expenses, that may be asserted against such person in connection with the activities of the Operating Partnership, regardless of whether the partnership would have the power to indemnify that person against such liability under the partnership agreement.

Sales of Assets; Liquidation

Under the partnership agreement, as general partner, we generally have the exclusive authority to determine whether, when and on what terms, the Operating Partnership will sell its assets (including our properties, which we own through the Operating Partnership). However, we have agreed, in connection with the contribution of properties from taxable investors in our formation transactions and certain property acquisitions for limited units in the Operating Partnership, not to dispose of certain assets in a taxable sale or exchange for a mutually agreed upon period and, thereafter, to use commercially reasonable or best efforts to minimize the adverse tax consequences of any sale. We may enter into similar or other agreements in connection with other acquisitions of properties for units.

A merger of the Operating Partnership with another entity generally requires an affirmative vote of the partners (other than the preferred limited partners) holding a majority of the outstanding percentage interest (including the interest held directly or indirectly by us) of all partners other than preferred limited partners,

subject to certain consent rights of holders of limited partnership units as described below under "Amendment of the Partnership Agreement". A sale or disposition of all or substantially all of the Operating Partnership's assets generally requires an affirmative vote of the limited partners (other than the general partner, the preferred limited partners and any limited partner 50% or more of whose equity is owned, directly or indirectly, by the general partner) holding a majority of the outstanding percentage interest of all limited partners (other than the general partner, the preferred limited partners and any limited partner 50% or more of whose equity is owned, directly or indirectly, by the general partner). A dissolution or liquidation of the Operating Partnership generally requires our approval as well as the consent of limited partners holding ninety percent (90%) of the outstanding percentage interest of all limited partners.

Capital Contribution

The Operating Partnership's partnership agreement provides that if the Operating Partnership requires additional funds at any time and from time to time in excess of funds available to the Operating Partnership from borrowings or capital contributions, we may borrow funds from a financial institution or other lender or through public or private debt offerings and lend the funds to the Operating Partnership on the same terms and conditions as are applicable to our borrowing of the funds. As an alternative to borrowing funds required by the Operating Partnership, we may contribute the amount of the required funds as an additional capital contribution to the Operating Partnership. We may also raise additional funds by accepting additional capital contributions, in the form of cash, real property or other non-cash assets. If we contribute additional capital to the Operating Partnership, our partnership interest in the Operating Partnership will be increased on a proportionate basis. Conversely, the partnership interests of the limited partners will be decreased on a proportionate basis if we make additional capital contributions.

Distributions

The partnership agreement generally provides that the Operating Partnership will make quarterly distributions of available cash (as defined below), as determined in the manner provided in the partnership agreement, to the partners of the Operating Partnership in proportion to their percentage interests in the Operating Partnership (which for any partner is determined by the number of units it owns relative to the total number of units outstanding). If any preferred units are outstanding, the Operating Partnership will pay distributions to holders of preferred units in accordance with the rights of each class of preferred units (and, within each such class, pro rata in proportion to the respective percentage interest of each holder), with any remaining available cash distributed in accordance with the previous sentence. "Available cash" is generally defined as the sum of the partnership's net income or net loss, depreciation and all non-cash charges deducted to determine net income or net loss, the reduction in reserves of the partnership, the excess of net proceeds from the sale, exchange, disposition or refinancing of partnership property over the gain or loss recognized from such transaction and all other cash received by the partnership, minus all principal debt payments, capital expenditures, investments in any entity, expenditures and payments not deducted in determining net income or net loss, any amount included in determining net income or net loss that was not received by the partnership, increases in reserves and amount of any working capital accounts and other cash or similar balances which we, as general partner, determine to be necessary or appropriate. Other than as described below, neither we nor the limited partners are currently entitled to any preferential or disproportionate distributions of available cash with respect to the units.

Preferred Units

General. As of September 30, 2011, the series M, O, P, Q, R and S preferred units of the Operating Partnership are outstanding. In accordance with the terms of the partnership agreement, we are required to contribute the net proceeds of the sale of any new series of preferred stock to the Operating Partnership in exchange for the issuance by the Operating Partnership of a corresponding series of preferred units that generally mirror the rights, preferences and other terms of the preferred stock. Additionally, the Operating Partnership may from time to time issue additional series of preferred units to unitholders from time to time in exchange for cash or other property.

Each series of preferred units of the Operating Partnership rank, with respect to distribution rights and rights upon liquidation, winding up or dissolution of the Operating Partnership:

- senior to the common units of the Operating Partnership and to all units of the Operating Partnership that provide that they rank junior to such series of preferred units;
- junior to all units which rank senior to such series of preferred units; and
- on a parity with all units expressly designated by the Operating Partnership to rank on a parity with such series of preferred units.

Redemption. If we redeem any shares of a series of preferred stock, the Operating Partnership will redeem the number of preferred units of the corresponding series equal to the number of such series of preferred stock to be redeemed at a redemption price payable in cash equal to the product of the number of such series of preferred units being redeemed and the sum of the stated liquidation preference for such series plus any deficiency still owing under prior distributions.

Liquidation Preference. The distribution and income allocation provisions of the partnership agreement have the effect of providing each series of preferred unit with a liquidation preference to each holder of such series of preferred units equal to the holder's capital contributions, plus any accrued but unpaid distributions, in preference to any other class or series of partnership interest of the Operating Partnership, other than any parity preferred units and any senior preferred units that we may issue.

Common Limited Partnership Units

Redemption Rights. Holders of common limited partnership units in the Operating Partnership have the right, commencing generally on or before the first anniversary of the holder becoming a limited partner of the Operating Partnership (or such other date agreed to by the Operating Partnership and the applicable unit holders), to require the Operating Partnership to redeem part or all of their common units for cash (based upon the fair market value of an equivalent number of shares of our common stock at the time of redemption) or the Operating Partnership may, in its sole and absolute discretion (subject to the limits on ownership and transfer of common stock set forth in our charter) elect to have us exchange those common units for shares of our common stock on a one-for-one basis, subject to adjustment in the event of stock splits, stock dividends, issuance of certain rights, certain extraordinary distributions and similar events. We presently anticipate that the Operating Partnership will generally elect to have us issue shares of our common stock in exchange for common units in connection with a redemption request; however, the Operating Partnership has paid cash and may in the future pay cash for a redemption of common units. With each redemption or exchange, our percentage ownership interest in the Operating Partnership will increase. Common limited partners may exercise this redemption right from time to time, in whole or in part, subject to the limitations that limited partners may not exercise the right if exercise would result in any person actually or constructively owning shares of common stock in excess of the ownership limit or any other amount specified by the board of directors, assuming common stock was issued in the exchange. Holders of performance units also have limited redemption rights, as discussed under the caption "Performance Units" below.

Registration Rights. We have granted to common limited partners certain registration rights with respect to the shares of stock issuable upon exchange of common limited partnership units in the Operating Partnership or otherwise. We have agreed to file and generally keep continuously effective generally beginning on or as soon as practicable after one year after issuance of common limited partnership units a registration statement covering the issuance of shares of common stock upon exchange of the units and the resale of the shares. We will bear expenses incident to our registration obligations upon exercise of registration rights, including the payment of federal securities and state blue sky registration fees, except that we will not bear any underwriting discounts or commissions or transfer taxes relating to registration of the shares.

Performance Units

Notwithstanding the foregoing discussion of distributions and allocations of income or loss of the Operating Partnership, certain of our current and former executive officers, in their capacity as limited partners

of the Operating Partnership, have received performance units. The performance units are similar to common limited partnership units in many respects, including the right to share in operating distributions, and allocations of operating income and loss of the Operating Partnership on a pro rata basis with common limited partnership units, and certain redemption rights, including limited rights to cause the Operating Partnership to redeem the performance units for cash or, at the Operating Partnership's option, to have us exchange the performance units for shares of our common stock. However, a holder of performance units may not require the Operating Partnership to redeem, and the Operating Partnership may not redeem, any performance units in excess of the number of performance units equal to the amount of the unitholder's capital account balance immediately following the revaluation of the Operating Partnership assets pursuant to the partnership agreement, divided by the fair market value of a share of our common stock.

Removal of the General Partner; Transferability of Our Interests; Treatment of Limited Partnership Units in Significant Transactions

The limited partners may not remove us as general partner of the Operating Partnership, with or without cause, other than with our consent. The partnership agreement provides that we may not withdraw from the Operating Partnership (whether by sale, statutory merger, consolidation, liquidation or otherwise) without the consent of limited partners other than the preferred limited partners, holding a majority of limited partner units (excluding any preferred limited units) then outstanding and the admission of a successor general partner. However, except as set forth below, we may transfer or assign our general partner interest in connection with a merger, consolidation or sale of substantially all of our assets without limited partner consent.

Neither we nor the Operating Partnership may engage in any merger, consolidation or other combination, or effect any reclassification, recapitalization or change of its outstanding equity interests, and we may not sell all or substantially all of our assets unless in connection with such a termination transaction all holders of limited partnership units other than preferred units either will have the right to receive, for each unit, an amount of cash, securities or other property equal to the product of the number of shares of common stock into which each unit is then exchangeable and the greatest amount of cash, securities or other property paid to the holder of one share of common stock as consideration pursuant to such a termination transaction. If, in connection with the termination transaction, a purchase, tender or exchange offer shall have been made to and accepted by the holders of the outstanding shares of our common stock, each holder of limited partnership units other than preferred units will have the right to receive, the greatest amount of cash, securities or other property that the holder would have received had it exercised its right to redemption and received shares of common stock in exchange for its units immediately prior to the expiration of the purchase, tender or exchange offer and had accepted the purchase, tender or exchange offer. Performance units also have the benefit of these provisions, irrespective of the capital account then applicable to the performance units. We and the Operating Partnership may also engage in a merger, consolidation or other combination, or effect any reclassification, recapitalization or change or our outstanding equity interests, and we may also sell all or substantially all of our assets if the following conditions are met:

- substantially all of the assets directly or indirectly owned by the surviving entity are held directly or indirectly by the Operating Partnership or another limited partnership or limited liability company which is the survivor of a merger, consolidation or combination of assets with the Operating Partnership;
- the holders of common limited partnership units, including the holders of any performance units, own a percentage interest of the surviving partnership based on the relative fair market value of the net assets of the Operating Partnership and the other net assets of the surviving partnership immediately prior to the consummation of the transaction;
- the rights, preferences and privileges of the holders in the surviving partnership, including the holders of performance units, are at least as favorable as those in effect immediately prior to the consummation of such transaction and as those applicable to any other limited partners or non- managing members of the surviving partnership (except, as to performance units, for such differences with units regarding liquidation, redemption or exchange as are described in the partnership agreement); and

- such rights of the common limited partners, including the holders of performance units issued or to be issued, include at least one of the following:
- the right to redeem their interests in the surviving partnership for the consideration available to them pursuant to the preceding paragraph; or
- the right to redeem their units for cash on terms equivalent to those in effect immediately prior to the consummation of the transaction, or, if the ultimate controlling person of the surviving partnership has publicly traded common equity securities, the common equity securities, with an exchange ratio based on the relative fair market value of such securities and our common stock.

Our board of directors will reasonably determine fair market values and rights, preferences and privileges of the common limited partners of the Operating Partnership as of the time of the termination transaction and, to the extent applicable, the values will be no less favorable to the holders of common limited partnership units than the relative values reflected in the terms of the termination transaction.

In addition, in the event of a termination transaction, the arrangements with respect to performance units and performance shares will be equitably adjusted to reflect the terms of the transaction, including, to the extent that the shares are exchanged for consideration other than publicly traded common equity, the transfer or release of remaining performance shares, and resulting issuance of any performance units, as of the consummation of the termination transaction.

Duties and Conflicts

Except as otherwise provided by our conflicts of interest policies with respect to directors and officers and as provided in the non-competition agreements that most of our executive officers have entered into with us, any limited partner of the Operating Partnership may engage in other business activities outside the Operating Partnership, including business activities that directly compete with the Operating Partnership.

Meetings; Voting

As general partner, we may call meetings of the limited partners of the Operating Partnership on our own motion, and must call a meeting of the limited partners upon written request of limited partners owning at least 25% of the then outstanding limited partnership units that are entitled to vote on the matters to be voted upon at such meeting. Limited partners may vote either in person or by proxy at meetings. Limited partners may take any action that they are required or permitted to take either at a meeting of the limited partners or without a meeting if consents in writing setting forth the action taken are signed by limited partners owning not less than the minimum number of units that would be necessary to authorize or take the action at a meeting of the limited partners at which all limited partners entitled to vote on the action were present. On matters for which limited partners are entitled to vote, each limited partner has a vote equal to the number of units the limited partner holds. A transferee of limited partnership units who has not been admitted as a substituted limited partner with respect to the units will have no voting rights with respect to the units, even if the transferee holds other units as to which it has been admitted as a limited partner. The partnership agreement does not provide for, and we do not anticipate calling, annual meetings of the limited partners.

Amendment of the Partnership Agreement

We or limited partners owning at least 25% of the then outstanding limited partnership units entitled to vote may propose amendments to the Operating Partnership's partnership agreement. Generally, the partnership agreement may be amended with our approval, as general partner, and partners (including us but not including the preferred limited partners) holding a majority of the partnership interests then outstanding other than preferred limited partnership interests. Certain provisions regarding, among other things, our rights and duties as general partner (e.g., restrictions on our power to conduct businesses other than as denoted herein) or the dissolution of the Operating Partnership, may not be amended without the approval of limited partners (other than preferred limited partners) holding a majority of the percentage interests of the limited partners other than

preferred limited partners. As general partner, we have the power, without the consent of the limited partners, to amend the partnership agreement as may be required to, among other things:

- add to our obligations as general partner or surrender any right or power granted to us as general partner;
- reflect the admission, substitution, termination or withdrawal of partners in accordance with the terms of the partnership agreement;
- establish the rights, powers, duties and preferences of any additional partnership interests issued in accordance with the terms of the partnership agreement;
- reflect a change of an inconsequential nature that does not materially adversely affect any limited partner, or cure any ambiguity, correct or supplement any provisions of the partnership agreement not inconsistent with law or with other provisions of the partnership agreement;
- satisfy any requirements of federal, state or local law;
- reflect such changes as are reasonably necessary for us to maintain our status as a real estate investment trust; and
- modify the manner in which capital accounts are computed.

We must approve, and each limited partner that would be adversely affected must approve, certain amendments to the partnership agreement, including amendments effected directly or indirectly through a merger or sale of assets of the Operating Partnership or otherwise, that would, among other things:

- convert a limited partner's interest into a general partner's interest;
- modify the limited liability of a limited partner;
- alter the interest of a partner in profits or losses, or the rights to receive any distributions (except as permitted under the partnership agreement with respect to the admission of new partners or the issuance of additional units, either of which actions will have the effect of changing the percentage interests of the partners and thereby altering their interests in profits, losses and distributions); or
- alter the limited partner's redemption or exchange right.

Term

The Operating Partnership will continue in full force and effect for approximately 99 years from its formation or until sooner dissolved pursuant to the terms of the partnership agreement.

DESCRIPTION OF CERTAIN PROVISIONS OF THE PARTNERSHIP AGREEMENT OF PROLOGIS 2, L.P.

A portion of our assets are held by or through Prologis 2, L.P. As the sole direct owner of AMB Property Holding Corporation, the general partner of Prologis 2, L.P., we have the exclusive right and power to manage Prologis 2, L.P. Our interest in Prologis 2, L.P. is designated as an indirect general partner interest. We have summarized certain terms and provisions of Prologis 2, L.P.'s partnership agreement. This summary is not complete and is qualified by the provisions of the partnership agreement. See "Where You Can Find More Information".

General

Holders of limited partnership units hold limited partnership interests in Prologis 2, L.P., and all holders of partnership interests (including AMB Property Holding Corporation in its capacity as general partner) are entitled to share in cash distributions from, and in the profits and losses of, Prologis 2, L.P. The units have not been registered pursuant to federal or state securities laws, and they will not be listed on the New York Stock Exchange or any other exchange or quoted on any national market system. However, the shares of common

stock that we may issue upon exchange of the class B common units and the shares of preferred stock that we may issue upon exchange of preferred units may be sold in registered transactions or transactions exempt from registration under the Securities Act. The limited partners of Prologis 2, L.P. have the rights to which limited partners are entitled under the partnership agreement and the Delaware Revised Uniform Limited Partnership Act. The partnership agreement imposes certain restrictions on the transfer of Prologis 2, L.P. units, as described below.

Purpose, Business and Management

Prologis 2, L.P. is organized as a Delaware limited partnership pursuant to the terms of the partnership agreement. AMB Property Holding Corporation, our wholly owned subsidiary, is the general partner of Prologis 2, L.P.

Prologis 2, L.P. is authorized to conduct any business that a limited partnership formed under the Delaware Revised Uniform Limited Partnership Act may lawfully conduct, except that the partnership agreement requires that the partnership conduct its business in such a manner that will permit us to be classified as a real estate investment trust under Section 856 of the Internal Revenue Code, unless we cease to qualify as a real estate investment trust for reasons other than the conduct of the business of Prologis 2, L.P. Subject to the foregoing limitation, Prologis 2, L.P. may enter into partnerships, joint ventures or similar arrangements and may own interests directly or indirectly in any other entity.

AMB Property Holding Corporation, the general partner of Prologis 2, L.P., has the exclusive power and authority to conduct the business of Prologis 2, L.P., subject to the consent of the limited partners in certain limited circumstances (as discussed below) and except as expressly limited in the partnership agreement.

AMB Property Holding Corporation, the general partner of Prologis 2, L.P., has the right to make all decisions and take all actions with respect to Prologis 2, L.P.'s acquisition and operation of our properties and all other assets and businesses of or related to Prologis 2, L.P. No limited partner may take part in the conduct or control of the business or affairs of Prologis 2, L.P. by virtue of its interest in the partnership. In particular, each limited partner expressly acknowledges in the partnership agreement that as general partner, AMB Property Holding Corporation is acting on behalf of Prologis 2, L.P., Prologis 2, L.P.'s limited partners and the stockholders of Prologis, Inc., collectively, and is under no obligation to consider the tax consequences to limited partners when making decisions for the benefit of Prologis 2, L.P. AMB Property Holding Corporation has no liability to a limited partner as a result of any liabilities or damages incurred or suffered by, or benefits not derived by, a limited partner as a result of its action or inaction as the general partner of Prologis 2, L.P. as long as AMB Property Holding Corporation acted in good faith. Limited partners have no right or authority to act for or to bind Prologis 2, L.P. Limited partners of Prologis 2, L.P. have no authority to transact business for, or participate in the management activities or decisions of, Prologis 2, L.P., except as provided in the partnership agreement or as required by applicable law.

Engaging in Other Businesses; Conflicts of Interest; Transactions Between Prologis 2, L.P. and the General Partner and its Affiliates

AMB Property Holding Corporation may not, without the consent of the holders of a majority of the limited partnership interests, conduct any business other than in connection with the ownership, acquisition and disposition of Prologis 2, L.P. interests as a general partner and the management of the business of Prologis 2, L.P., and activities that are incidental to these activities. Unless it otherwise agrees, each limited partner, and its affiliates, is free to engage in any business or activity, even if the business or activity competes with or is enhanced by the business of Prologis 2, L.P. The Prologis 2, L.P. partnership agreement does not prevent another person or entity that acquires control of us in the future from conducting other businesses or owning other assets, even if it would be in the best interests of the limited partners for Prologis 2, L.P. to own those businesses or assets. In the exercise of its power and authority under the partnership agreement, AMB Property Holding Corporation may contract and otherwise deal with or otherwise obligate Prologis 2, L.P. to entities in which AMB Property Holding Corporation, we or any one or more of our officers, directors or stockholders may have an ownership or other financial interest. AMB Property Holding Corporation may

retain persons or entities that AMB Property Holding Corporation selects (including itself, us, any entity in which we have an interest or any entity with which we are affiliated) to provide services to or on behalf of Prologis 2, L.P.

Reimbursement of the General Partner

AMB Property Holding Corporation does not receive any compensation for its services as general partner of Prologis 2, L.P. However, as a partner in Prologis 2, L.P., AMB Property Holding Corporation has rights to allocations and distributions of the partnership. In addition, Prologis 2, L.P. reimburses AMB Property Holding Corporation for all expenses it incurs relating to ownership of interests in and operation of, or for the benefit of, Prologis 2, L.P. Prologis 2, L.P. will reimburse AMB Property Holding Corporation for all expenses incurred relating to the ongoing operation of Prologis 2, L.P. and any issuance of additional partnership interests in Prologis 2, L.P. These expenses include those incurred in connection with the administration and activities of Prologis 2, L.P., such as the maintenance of the partnership's books and records, management of the partnership's property and assets, and preparation of information regarding the partnership provided to the partners in the preparation of their individual tax returns.

Exculpation and Indemnification of the General Partner

The partnership agreement generally provides that neither the general partner of Prologis 2, L.P., nor any of its officers, directors or employees will be liable to Prologis 2, L.P. or any limited partner for losses sustained, liabilities incurred, or benefits not derived as a result of errors in judgment or for any mistakes of fact or law or for anything that the general partner may do or not do in connection with the business and affairs of Prologis 2, L.P. if its general partner carries out its duties in good faith. In addition, the general partner is not responsible for any misconduct, negligent act or omission of any of its consultants, contractors or agents, or any of Prologis 2, L.P.'s consultants, contractors or agents, provided that the general partner uses good faith in the selection of those contractors, consultants and agents. The general partner may consult with legal counsel, accountants, appraisers, management consultants, investment bankers, and other consultants and advisors that it selects. Any action taken or omitted to be taken in reliance upon the opinion of such a consultant on a matter that the general partner reasonably believes is within the consultant's professional or expert competence is presumed to be done in good faith.

The partnership agreement also requires Prologis 2, L.P. to indemnify the general partner, its directors and officers, and other persons that the general partner may from time to time designate against any loss or damage, including reasonable legal fees and expenses incurred by the person by reason of anything the person may do or not do for or on behalf of Prologis 2, L.P. or in connection with its business or affairs unless it is established that:

- the act or omission of the indemnified person was material to the matter giving rise to the proceeding and either the indemnified person committed the act or omission in bad faith or as the result of active and deliberate dishonesty;
- the indemnified person actually received an improper personal benefit in money, property or services; or
- in the case of any criminal proceeding, the indemnified person had reasonable cause to believe that the act or omission was unlawful.

Any indemnification claims must be satisfied solely out of the assets of Prologis 2, L.P. and any insurance proceeds from the liability policy covering the general partner's officers and directors and other persons that the general partner may from time to time designate. Prologis 2, L.P. may also purchase and maintain insurance on behalf of the general partner's directors and officers, and other persons that the general partner may from time to time designate, against any liability, and related expenses, that may be asserted against such person in connection with the activities of Prologis 2, L.P., regardless of whether Prologis 2, L.P. would have the power to indemnify that person against such liability under the partnership agreement.

Sales of Assets; Liquidation

Under the partnership agreement, the general partner generally has the exclusive authority to determine whether, when and on what terms, Prologis 2, L.P. will sell its assets.

A merger of Prologis 2, L.P. with another entity generally requires an affirmative vote of the partners (other than the preferred limited partners) holding a majority of the outstanding percentage interest (including the interest held directly or indirectly by us) of all partners other than preferred limited partners, subject to certain consent rights of holders of limited partnership units as described below under "Amendment of the Partnership Agreement". A sale or disposition of all or substantially all of Prologis 2, L.P.'s assets generally requires an affirmative vote of the partners (other than the preferred limited partners) holding a majority of the outstanding percentage interest of all limited partners holding common units (other than the preferred limited partners). A dissolution or liquidation of Prologis 2, L.P. generally requires our approval as well as the affirmative vote of limited partners holding ninety percent (90%) of the outstanding percentage interest of all limited partners.

Capital Contribution

Prologis 2, L.P.'s partnership agreement provides that if Prologis 2, L.P. requires additional funds at any time and from time to time in excess of funds available to Prologis 2, L.P. from borrowings or capital contributions, Prologis 2, L.P. may borrow funds from a financial institution or other lender. As an alternative to borrowing funds required by Prologis 2, L.P., the general partner may accept additional capital contributions to Prologis 2, L.P. Prologis 2, L.P. may also raise additional funds by accepting additional capital contributions, in the form of cash, real property or other non-cash assets. If additional capital contributions to Prologis 2, L.P. are accepted, the partnership interest of the contributors in Prologis 2, L.P. will be increased on a proportionate basis.

Distributions

The partnership agreement generally provides that Prologis 2, L.P. will make quarterly distributions of available cash (as defined below), as determined in the manner provided in the partnership agreement, to the partners of Prologis 2, L.P. in proportion to their percentage interests in the partnership (which for any partner is determined by the number of units it owns relative to the total number of units outstanding). If any preferred units are issued and outstanding, Prologis 2, L.P. will pay distributions to holders of preferred units in accordance with the rights of each class of preferred units (and, within each such class, pro rata in proportion to the respective percentage interest of each holder), with any remaining available cash distributed in accordance with the previous sentence. Except as provided for in the partnership agreement with respect to class B common units, no partnership interest is entitled to a distribution in preference to any other partnership interest. "Available cash" is generally defined as the sum of Prologis 2, L.P.'s net income or net loss, depreciation and all non-cash charges deducted to determine net income or net loss, the reduction in reserves of the partnership, the excess of net proceeds from the sale, exchange, disposition or refinancing of partnership property over the gain or loss recognized from such transaction and all other cash received by the partnership, minus all principal debt payments, capital expenditures, investments in any entity, expenditures and payments not deducted in determining net income or net loss, any amount included in determining net income or net loss that was not received by Prologis 2, L.P., increases in reserves and amount of any working capital accounts and other cash or similar balances which the general partner determines to be necessary or appropriate.

Class A Common Units

The class A common units rank junior to all partnership units of Prologis 2, L.P. including Class B common units, other than any class or series of partnership interest expressly designated as ranking junior to the class A common units. Holders of a majority of the class A common units may elect to remove the general partner, with or without cause, and select a successor general partner. The class A common units are not redeemable or exchangeable, and are not entitled to receive any distributions or liquidation preference.

All class A common units are limited partnership units, unless held by the general partner. All class B common units acquired by us pursuant to a redemption of the class B common units in exchange for shares of our common stock (as described more fully below) will automatically be converted into and deemed to be class A common units. We will contribute any such class A common units to our Operating Partnership in exchange for additional partnership units in our Operating Partnership.

As of the date of this prospectus, AMB Property Holding Corporation holds approximately 1% of the issued and outstanding class A common units, and the remainder of the issued and outstanding class A common units are held by the Operating Partnership.

Class B Common Units

General. All class B common units are limited partnership units. The class B common units rank, with respect to distribution rights and rights upon liquidation, winding up or dissolution of the Prologis 2, L.P.:

- senior to Prologis 2, L.P.'s class A common units, all classes or series of common partnership units not expressly designated as ranking senior to the class B common units and any partnership units which by their terms are expressly designated as ranking junior to the class B common units;
- junior to all classes or series of preferred partnership units; and
- on parity with all partnership units which by their terms are expressly designated as raking on parity with the class B common units.

Distribution Rights. Each class B common unit is entitled to receive cumulative preferential distributions equal to any dividends paid on our common stock, calculated as if each unit had been converted into a single share of common stock immediately prior to the record day for the payment of the respective dividend.

Redemption and Exchange. Beginning one year after the date such units are issued, the holders of class B common units generally may require Prologis 2, L.P. to redeem some or all of their class B common units for cash at a price equal to the average of the daily market price of a share of our common stock for the ten consecutive trading days prior to such redemption, provided, however, that Prologis 2, L.P. may elect to have us acquire some or all of the class B common units so tendered in which case the class B common units shall be exchanged for our common stock on a one-for-one basis (as adjusted for dividends, distributions, splits, subdivisions, reverse splits or combinations).

The right of the holders of class B common units to cause a redemption, or of Prologis 2, L.P. to cause an exchange of the class B common units for shares of our common stock, shall in each case be subject to the restrictions on ownership and transfers set forth in our charter in order for us to maintain our qualification as a real estate investment trust for federal income tax purposes.

Registration Rights. We have granted to the holders of class B common units certain registration rights with respect to the shares of our common stock issuable upon exchange of the class B common units.

Removal of the General Partner

The limited partners may not remove the general partner of Prologis 2, L.P. with or without cause; provided, however, that holders of a majority of the class A common units (all outstanding shares of which are held by AMB Property Holding Corporation and the Operating Partnership as of the date of this prospectus) may remove the general partner with or without cause.

Duties and Conflicts

Except as otherwise provided by our conflicts of interest policies with respect to directors and officers and as provided in the non-competition agreements that most of our executive officers have entered into with us, and subject to any agreements entered into by a limited partner or its affiliates with AMB Property Holding Corporation, us or the Operating Partnership (or a subsidiary of AMB Property Holding Corporation, us or the

Operating Partnership), any limited partner of Prologis 2, L.P. may engage in other business activities outside Prologis 2, L.P., including business activities that directly compete with Prologis 2, L.P.

Meetings; Voting

The general partner may call meetings of the limited partners of Prologis 2, L.P. on its own motion, and shall call meetings of the limited partners upon written request of limited partners owning at least 25% of the then outstanding limited partnership units that are entitled to vote on the matters to be voted upon at such meeting. Limited partners may vote either in person or by proxy at meetings. Limited partners may take any action that they are required or permitted to take either at a meeting of the limited partners or without a meeting if consents in writing setting forth the action taken are signed by limited partners owning not less than the minimum number of units that would be necessary to authorize or take the action at a meeting of the limited partners at which all limited partners entitled to vote on the action were present. Except as otherwise provided in the partnership agreement, each limited partner has a vote equal to the number of units the limited partner holds on matters for which limited partners are entitled to vote. A transferee of limited partnership units who has not been admitted as a substituted limited partner with respect to the units will have no voting rights with respect to the units, even if the transferee holds other units as to which it has been admitted as a limited partner. The partnership agreement does not provide for, and we do not anticipate calling, annual meetings of the limited partners.

Amendment of the Partnership Agreement

Amendments to Prologis 2, L.P.'s partnership agreement may be proposed by the general partner or limited partners owning at least 25% of the then outstanding limited partnership units entitled to consent to or approve the matter addressed in the proposed amendment. Generally, the partnership agreement may be amended with the approval of the general partner and partners (including AMB Property Holding Corporation, but not including the preferred limited partners) holding a majority of all partnership interests then outstanding, other than preferred limited partners. Amendments of certain provisions regarding, among other things, the dissolution of Prologis 2, L.P., the general assignment for the benefit of creditors of Prologis 2, L.P.'s assets, the appointment of a custodian, receiver or trustee for any all of the Prologis 2, L.P.'s assets, the institution of bankruptcy proceedings, the confession of a judgment against Prologis 2, L.P. or the entrance into a merger, consolidation or other combination of the partnership with or into another entity, may not be made without the approval of partners (other than preferred limited partners) holding a majority of the percentage interests of the partners in addition to any consents of the limited partners required to be obtained by the partnership agreement. The general partner has the power, without the consent of the partners, to amend the partnership agreement as may be required to, among other things:

- add to the obligations of AMB Property Holding Corporation as general partner or surrender any right or power granted to AMB Property Holding Corporation as general partner for the benefit of the limited partners;
- reflect the admission, substitution, termination or withdrawal of partners or reduction in partnership units in accordance with the terms of the partnership agreement;
- establish the designations, rights, powers, duties and preferences of any additional partnership interests issued in accordance with the terms of the partnership agreement;
- reflect a change of an inconsequential nature that does not materially adversely affect any limited partner, or cure any ambiguity, correct or supplement any provisions of or make other changes concerning matters under the partnership agreement not inconsistent with law or with other provisions of the partnership agreement;
- satisfy any requirements of federal, state or local law;
- to reflect such changes as are reasonably necessary for us to maintain our status as a real estate investment trust; and

- modify the manner in which capital accounts are computed.

AMB Property Holding Corporation may not, without the consent of each limited partner that would be adversely affected, take any action or make certain amendments to the partnership agreement, including amendments effected directly or indirectly through a merger or sale of assets of Prologis 2, L.P. or otherwise, that would, among other things,

- convert a limited partner's interest into a general partner's interest;
- modify the limited liability of a limited partner;
- alter the rights of a partner to receive any distributions (except as permitted under the partnership agreement with respect to the admission of new partners or the issuance of additional units, either of which actions will have the effect of changing the percentage interests of the partners and thereby altering their interests in profits, losses and distributions); or
- alter the class B limited partners' redemption or exchange rights.

Term

Prologis 2, L.P. will continue in full force and effect for approximately 99 years from its formation or until sooner dissolved pursuant to the terms of the partnership agreement.

DESCRIPTION OF DEBT SECURITIES

The debt securities are to be issued under an Indenture, dated as of June 8, 2011, (the "Original Indenture") between us and U.S. Bank National Association, as trustee. The Indenture has been supplemented by a First Supplemental Indenture dated June 8, 2011, a Second Supplemental Indenture dated June 8, 2011, a Third Supplemental Indenture dated June 8, 2011 and a Fourth Supplemental Indenture dated June 8, 2011. We collectively refer to the Original Indenture as amended and supplemented by the First Supplemental Indenture, Second Supplemental Indenture, Third Supplemental Indenture and Fourth Supplemental Indenture as the "Indenture". The Indenture has been incorporated by reference as an exhibit to the registration statement of which this prospectus is a part and is available for inspection at the corporate trust office of the trustee at 100 Wall Street, Suite 1600, New York, New York 10005 or as described above under "Where You Can Find More Information". The Indenture is subject to, and governed by, the Trust Indenture Act of 1939. The statements made in this prospectus relating to the Indenture and the debt securities to be issued pursuant to the Indenture are summaries of some of the provisions of the Indenture and do not purport to be complete. The statements are subject to and are qualified in their entirety by reference to all the provisions of the Indenture and the debt securities. As used in this section, "Description of Debt Securities", the term "Operating Partnership" refers only to Prologis, L.P. and not to any of its subsidiaries and the term "Company" refers only to Prologis, Inc. and not to any of its subsidiaries.

General

The debt securities will be the Operating Partnership's direct, unsecured and unsubordinated obligations and will rank *pari passu* with all of the Operating Partnership's other unsecured and unsubordinated indebtedness outstanding from time to time and will be fully and unconditionally guaranteed by the Company except as may be limited to the maximum amount permitted under applicable federal or state law. Each guarantee of the debt securities will be an unsecured and unsubordinated obligation of the Company and will rank *pari passu* in right of payment with all of its current and future unsecured and unsubordinated indebtedness. The debt securities and each guarantee will be effectively subordinated to any current and future indebtedness of the Operating Partnership and the Company that is both secured and unsubordinated to the extent of the assets securing such indebtedness.

Although the covenants described under "— Covenants — Limitations on incurrence of debt" impose certain limitations on the incurrence of additional indebtedness, the Operating Partnership and its subsidiaries

will retain the ability to incur substantial additional secured and unsecured indebtedness and other liabilities in the future.

Under the Indenture, in addition to the ability to issue debt securities with terms different from other debt securities issued under the Indenture, the Operating Partnership will have the ability to reopen a previous issue of a series of debt securities and issue additional debt securities of any series without the consent of the holders. Each series may be as established from time to time in or pursuant to authority granted by a resolution of the Company, as general partner of the Operating Partnership, or as established in one or more indentures supplemental to the Indenture.

Except as set forth below under "— Covenants — Limitations on incurrence of debt", the Indenture will not contain any provisions that would limit the Operating Partnership's ability to incur indebtedness or that would afford holders of the debt securities protection in the event of a highly leveraged or similar transaction involving the Operating Partnership or in the event of a change of control.

The Indenture provides that the debt securities may be issued without limit as to aggregate principal amount, in one or more series. Each series may be as established from time to time in or pursuant to authority granted by a resolution of our board of trustees or as established in one or more indentures supplemental to the Indenture. All debt securities of one series need not be issued at the same time and, unless otherwise provided, a series may be reopened for issuances of additional debt securities of that series without the consent of the holders of the debt securities of that series.

Please refer to the prospectus supplement relating to the series of debt securities being offered for the specific terms of the debt securities, including:

(1) the title of the series of debt securities;

(2) the aggregate principal amount of the series of debt securities and any limit on the principal amount;

(3) the percentage of the principal amount at which the debt securities of the series will be issued and, if other than the full principal amount of the debt securities, the portion of the principal amount of the debt securities payable upon declaration of acceleration of the maturity of the debt securities, or the method by which any portion will be determined;

(4) the date or dates, or the method by which the date or dates will be determined, on which the principal of the debt securities of the series will be payable and the amount of principal payable on the debt securities;

(5) the rate or rates at which the debt securities will bear interest, if any — which may be fixed or variable — or the method by which the rate or rates will be determined;

(6) the date or dates, or the method by which the date or dates will be determined, from which any interest will accrue, the interest payment dates on which any interest will be payable, the regular record dates for the interest payment dates, or the method by which the dates will be determined, the person to whom, and the manner in which, the interest will be payable, and the basis upon which interest will be calculated if other than that of a 360-day year comprised of twelve 30-day months;

(7) the place or places where the principal of — and premium or make-whole amounts, if any — and interest and additional amounts, if any, on the debt securities of the series will be payable, where the debt securities may be surrendered for registration of transfer or exchange and where notices or demands to or upon us in respect of the debt securities and the Indenture may be served;

(8) the period or periods within which, the price or prices, including the premium or make-whole amounts, if any, at which, the currency or currencies in which, and the other terms and conditions upon which the debt securities of the series may be redeemed, as a whole or in part, at our option, if we are to have such an option;

(9) our obligation, if any, to redeem, repay or purchase the debt securities of the series pursuant to any sinking fund or analogous provision or at the option of a holder of the debt securities, and the period or periods within which, the date or dates upon which, the price or prices at which, the currency or currencies, currency unit or units or composite currency or currencies in which, and the other terms and conditions upon which the debt securities shall be redeemed, repaid or purchased, as a whole or in part, pursuant to that obligation;

(10) if other than United States dollars, the currency or currencies in which the debt securities of the series are denominated and payable, which may be a foreign currency or units of two or more foreign currencies or a composite currency or currencies, and the terms and conditions relating to the currency;

(11) whether the amount of payments of principal — and premium or make-whole amounts, if any — or interest, if any, on the debt securities of the series may be determined with reference to an index, formula or other method, and the manner in which those amounts will be determined; the index, formula or method may be, but need not be, based on a currency, currencies, currency unit or units or composite currency or currencies;

(12) whether the principal — and premium or make-whole amounts, if any — or interest or additional amounts, if any, on the debt securities of the series are to be payable, at our election or at the election of a holder of debt securities, in a currency or currencies, currency unit or units or composite currency or currencies, other than that in which the debt securities are denominated or stated to be payable, the period or periods within which, and the terms and conditions upon which, the election may be made, and the time and manner of, and identity of the exchange rate agent with responsibility for, determining the exchange rate between the currency or currencies in which the debt securities are denominated or stated to be payable and the currency or currencies in which the debt securities are to be so payable;

(13) any deletions from, modifications of or additions to the terms of the series of debt securities with respect to the events of default or covenants set forth in the Indenture;

(14) whether the debt securities of the series will be issued in certificated or book-entry form;

(15) whether the debt securities of the series will be in registered form and, if in registered form, the denominations of the debt securities if other than $1,000 and any integral multiple of the debt securities;

(16) the applicability, if any, of the defeasance and covenant defeasance provisions of Article Fourteen of the Indenture to the series of debt securities and any additions to or substitutions of the provisions;

(17) if the debt securities of the series are to be issued upon the exercise of debt warrants, the time, manner and place for the debt securities to be authenticated and delivered;

(18) whether and under what circumstances we will pay additional amounts as contemplated in the Indenture on the debt securities of the series in respect of any tax, assessment or governmental charge and, if so, whether we will have the option to redeem the debt securities rather than pay the additional amounts; and

(19) any other terms of the series of debt securities not inconsistent with the provisions of the Indenture.

The Operating Partnership may issue original issue discount securities. “Original issue discount securities” refer to debt securities which may provide that less than the entire principal amount of the debt securities will be paid if their maturity is accelerated, or bear no interest or bear interest at a rate which at the time of issuance is below market rates. Special U.S. federal income tax, accounting and other considerations apply to original issue discount securities and will be described in the applicable prospectus supplement.

Guarantees

Unless specified otherwise in the applicable prospectus supplement, the Indenture provides that the Operating Partnership's obligations under the debt securities will be guaranteed by the Company. The Company's guarantee of the debt securities will rank *pari passu* in right of payment with all of the Company's unsecured and unsubordinated indebtedness, including the Company's indebtedness for borrowed money, indebtedness evidenced by bonds, debentures, notes or similar instruments, obligations arising from or with respect to guarantees and direct credit substitutes, obligations associated with hedges and derivative products, capitalized lease obligations and other unsecured and unsubordinated indebtedness. The guarantee of the debt securities by the Company will be effectively subordinated to all of the mortgages and other secured indebtedness of the Company and all of the secured and unsecured indebtedness and other liabilities of its subsidiaries. The obligations of the Company under each guarantee will be limited to the maximum amount permitted under applicable federal or state law. A supplemental indenture establishing the terms of a particular series of debt securities may provide that such series will not be guaranteed by the Company.

Denominations

Unless otherwise described in the applicable prospectus supplement, the debt securities of any series issued in registered form will be issuable in denominations of $1,000 and integral multiples of $1,000 in excess thereof.

Principal and interest

Unless otherwise specified in the applicable prospectus supplement, the principal of, and premium or make-whole amounts, if any, and interest on any series of debt securities will be payable at the corporate trust office of U.S. Bank National Association, initially located at 100 Wall Street, Suite 1600, New York, New York 10005; provided that, at the Operating Partnership's option, payment of interest may be made by check mailed to the address of the person entitled to the payment as it appears in the security register or by wire transfer of funds to the person to an account maintained within the United States.

Unless specified otherwise in the applicable prospectus supplement, interest on any series of debt securities will be computed on the basis of a 360-day year consisting of twelve 30-day months. If any interest payment date, principal payment date or the maturity date falls on a day that is not a business day, the required payment will be made on the next business day as if it were made on the date the payment was due and no interest will accrue on the amount so payable for the period from and after the interest payment date, principal payment date or the maturity date, as the case may be, until the next business day. "Business day" means any day, other than a Saturday, Sunday or legal holidays, on which banks in New York, New York are not authorized or required by law or executive order to be closed. Any interest not punctually paid or duly provided for on any interest payment date with respect to any debt security, will cease to be payable to the holder on the applicable regular record date and either may be paid to the person in whose name the debt security is registered at the close of business on a special record date for the payment of the defaulted interest to be fixed by the trustee, notice of which will be given to the holder of the debt security not less than ten days prior to the special record date, or may be paid at any time in any other lawful manner, all as more completely described in the Indenture.

Merger, Consolidation or Sale

The Operating Partnership may consolidate with or merge with or into another entity, or sell, lease or convey all or substantially all of its assets to another entity, provided that the following three conditions are met:

(1) after the transaction, the Operating Partnership is, or a person organized and existing under the laws of the United States or one of the fifty states is, the continuing entity. If the continuing entity is an entity other than the Operating Partnership, that entity must also assume the Operating Partnership's payment obligations under the Indenture, as well as the due and punctual performance and observance of all of the covenants contained in the Indenture;

(2) after giving effect to the transaction and treating any indebtedness which became an obligation of the Operating Partnership or any of the Operating Partnership's subsidiaries as a result of the transaction as having been incurred by the Operating Partnership or such subsidiary at the time of such transaction, an event of default (or an event which, with notice or lapse of time or both, would become an event of default) has not occurred under the Indenture. Additionally, the transaction may not cause an event which, after notice or a lapse of time, or both, would become an event of default; and

(3) the continuing entity delivers an officers' certificate and legal opinion covering (1) and (2) above.

The Indenture provides that the Company, as guarantor of the debt securities, and any other guarantor, will not, in any transaction or series of transactions, consolidate with, or sell, lease, assign, transfer or otherwise convey all or substantially all of its assets to, or merge with or into any other person unless:

- either such guarantor is the continuing person or the successor person (if other than such guarantor) is a corporation, partnership, limited liability company or other entity organized and existing under the laws of the United States of America or a State of the United States of America or the District of Columbia and expressly assumes such guarantor's obligations with respect to the debt securities and the observance of all of the covenants and conditions contained in the Indenture and its guarantee;
- immediately after giving effect to the transaction, no event of default, and no event which, after notice or lapse of time, or both, would become an event of default, shall have occurred and shall be continuing; and
- such guarantor delivers to the trustee an officers' certificate and legal opinion covering compliance with these conditions.

In the event that such guarantor is not the continuing entity, then, for purposes of the second bullet point above, the successor entity will be deemed to be such guarantor.

Although there is a limited body of case law interpreting the phrase "all or substantially all", there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve "all or substantially all" of the property or assets of a person.

Covenants

This section describes covenants the Operating Partnership makes in the Indenture, for the benefit of the holders of certain series of debt securities.

Existence. Except as permitted under "— Merger, Consolidation or Sale", the Operating Partnership will do or cause to be done all things necessary to preserve and keep in full force and effect the existence, rights, both charter and statutory, and franchises of the Operating Partnership and its subsidiaries; provided, however, that the Operating Partnership will not be required to preserve any right or franchise if the Operating Partnership determines that the preservation of the right or franchise is no longer desirable in the conduct of the Operating Partnership's business and that the loss of the right or franchise is not disadvantageous in any material respect to the holders of the debt securities.

Payment of taxes and other claims. The Operating Partnership will pay or discharge or cause to be paid or discharged, before the same shall become delinquent, all taxes, assessments and governmental charges levied or imposed upon the Operating Partnership or any subsidiary or upon its income, profits or property or any subsidiary and all lawful claims for labor, materials and supplies which, if unpaid, might by law become a lien upon the Operating Partnership's property or any subsidiary; provided, however, that the Operating Partnership will not be required to pay or discharge or cause to be paid or discharged any such tax, assessment, charge or claim whose amount, applicability or validity is being contested in good faith by appropriate proceedings.

Provision of financial information. Whether or not the Operating Partnership or the Company are subject to Section 13 or 15(d) of the Exchange Act, the Operating Partnership and the Company will, to the

extent permitted under the Exchange Act, file with the SEC the annual reports, quarterly reports and other documents which the Operating Partnership and the Company would have been required to file with the SEC pursuant to such Section 13 or 15(d) (the "Financial Statements") if the Operating Partnership and the Company were so subject, such documents to be filed with the SEC on or prior to the respective dates (the "Required Filing Dates") by which the Operating Partnership and the Company would have been required so to file such documents if the Operating Partnership and the Company were so subject.

The Operating Partnership and the Company will also in any event (x) within 15 days of each Required Filing Date (i) transmit by mail or electronic transmittal to all holders, as their names and addresses appear in the security register, without cost to such Holders, copies of the annual reports and quarterly reports which the Operating Partnership and the Company are required to file or would have been required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act if the Operating Partnership and the Company were subject to such sections, and (ii) file with the trustee copies of annual reports, quarterly reports and other documents which the Operating Partnership and the Company would have been required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act if the Operating Partnership and the Company were subject to such sections and (y) if filing such documents by the Operating Partnership and the Company with the SEC is not permitted under the Exchange Act, promptly upon written request and payment of the reasonable cost of duplication and delivery, supply copies of such documents to any prospective holder.

Limitations on incurrence of debt. The Operating Partnership will not, and will not permit any Subsidiary to, incur any Debt if, immediately after giving effect to the incurrence of such additional Debt and the application of the proceeds of the additional Debt, the aggregate principal amount of all the Operating Partnership's outstanding Debt and that of its Subsidiaries on a consolidated basis as determined in accordance with GAAP is greater than 60% of the sum of (without duplication):

(1) the Operating Partnership's Total Assets as of the end of the calendar quarter covered in the Operating Partnership's Annual Report on Form 10-K or Quarterly Report on Form 10-Q, as the case may be, most recently filed with the SEC (or, if such filing is not permitted under the Exchange Act, with the trustee) prior to the incurrence of such additional Debt; and

(2) the purchase price of any real estate assets or mortgages receivable acquired, and the amount of any securities offering proceeds received (to the extent such proceeds were not used to acquire real estate assets or mortgages receivable or used to reduce Debt), by the Operating Partnership or any Subsidiary since the end of such calendar quarter, including those proceeds obtained in connection with the incurrence of such additional Debt.

Additionally, the Operating Partnership will not, and will not permit any Subsidiary to, incur any Debt if the ratio of Consolidated Income Available for Debt Service to the Annual Service Charge for the four consecutive fiscal quarters most recently ended prior to the date on which such additional Debt is to be incurred shall have been less than 1.5, on a pro forma basis after giving effect thereto and to the application of the proceeds therefrom, and calculated on the assumption that:

(1) such Debt and any other Debt incurred by the Operating Partnership and its Subsidiaries since the first day of such four-quarter period and the application of the proceeds therefrom, including to refinance other Debt, had occurred at the beginning of such period;

(2) the repayment or retirement of any other Debt by the Operating Partnership and its Subsidiaries since the first day of such four-quarter period had been incurred, repaid or retired at the beginning of such period (except that, in making such computation, the amount of Debt under any revolving credit facility shall be computed based upon the average daily balance of such Debt during such period);

(3) in the case of Acquired Debt or Debt incurred in connection with any acquisition since the first day of such four-quarter period, the related acquisition had occurred as of the first day of such period with the appropriate adjustments with respect to such acquisition being included in such pro forma calculation; and

(4) in the case of any acquisition or disposition by the Operating Partnership or its Subsidiaries of any asset or group of assets since the first day of such four-quarter period, whether by merger, stock purchase or sale, or asset purchase or sale, such acquisition or disposition or any related repayment of Debt had occurred as of the first day of such period with the appropriate adjustments with respect to such acquisition or disposition being included in such pro forma calculation.

The Operating Partnership and its Subsidiaries may not at any time own Total Unencumbered Assets equal to less than 150% of the aggregate outstanding principal amount of the Unsecured Debt of the Operating Partnership and its Subsidiaries on a consolidated basis.

In addition to the foregoing limitations on the incurrence of Debt, the Operating Partnership will not, and will not permit any Subsidiary to, incur any Debt for borrowed money secured by any mortgage, lien, charge, pledge, encumbrance or security interest upon any of the Operating Partnership's property or the property of any Subsidiary, whether owned at the date hereof or hereafter acquired, if, immediately after giving effect to the incurrence of such additional Debt and the application of the proceeds thereof, the aggregate principal amount of all of the Operating Partnership's outstanding Debt and the outstanding Debt of the Operating Partnership's Subsidiaries on a consolidated basis for borrowed money which is secured by any mortgage, lien, charge, pledge, encumbrance or security interest on the Operating Partnership property or the property of any Subsidiary is greater than 40% of the sum of (without duplication):

(1) the Operating Partnership's Total Assets as of the end of the calendar quarter covered in the Operating Partnership's Annual Report on Form 10-K or Quarterly Report on Form 10-Q, as the case may be, most recently filed with the SEC (or, if such filing is not permitted under the Exchange Act, with the trustee) prior to the incurrence of such additional Debt; and

(2) the purchase price of any real estate assets or mortgages receivable acquired, and the amount of any securities offering proceeds received (to the extent that such proceeds were not used to acquire real estate assets or mortgages receivable or used to reduce Debt), by the Operating Partnership or any Subsidiary since the end of such calendar quarter, including those proceeds obtained in connection with the incurrence of such additional Debt.

For purposes of the covenants described under this "— Limitations on incurrence of debt", Debt shall be deemed to be "incurred" by the Operating Partnership or a Subsidiary whenever the Operating Partnership or such Subsidiary shall create, assume, guarantee or otherwise become liable in respect thereof.

Nothing in the above covenants shall prevent: (i) the incurrence by the Operating Partnership or any Subsidiary of Debt between or among the Operating Partnership, any Subsidiary or any Equity Investee or (ii) the Operating Partnership or any Subsidiary from incurring Refinancing Debt.

For purposes of the foregoing covenants the following definitions apply:

"Acquired Debt" means Debt of a Person (i) existing at the time such Person becomes a Subsidiary or (ii) assumed in connection with the acquisition of assets from such Person, in each case, other than Debt incurred in connection with, or in contemplation of, such Person becoming a Subsidiary or such acquisition. Acquired Debt shall be deemed to be incurred on the date of the related acquisition of assets from any Person or the date the acquired Person becomes a Subsidiary.

"Annual Service Charge" as of any date means the maximum amount which is payable in any period for interest on, and original issue discount of, the Operating Partnership or its subsidiaries' Debt and the amount of dividends which are payable in respect of any Disqualified Stock.

"Consolidated Income Available for Debt Service" for any period means Earnings from Operations of the Operating Partnership and its Subsidiaries plus amounts which have been deducted, and minus amounts which have been added, for the following (without duplication):

(A) interest on Debt of the Operating Partnership and its Subsidiaries,

(B) provision for taxes of the Operating Partnership and its Subsidiaries based on income,

(C) amortization of debt discount,

(D) provisions for unrealized gains and losses, depreciation and amortization, and the effect of any other non-cash items,

(E) extraordinary, non-recurring and other unusual items (including, without limitation, any costs and fees incurred in connection with any debt financing or amendments thereto, any acquisition, disposition, recapitalization or similar transaction (regardless of whether such transaction is completed)),

(F) the effect of any noncash charge resulting from a change in accounting principles in determining Earnings from Operations for such period,

(G) amortization of deferred charges, and

(H) any of the items described in clauses (D) and (E) above that were included in Earnings From Operations on account of an Equity Investee.

"Debt" of the Operating Partnership or any Subsidiary means any indebtedness of the Operating Partnership or any Subsidiary, excluding any accrued expense or trade payable, whether or not contingent, in respect of :

(1) borrowed money evidenced by bonds, notes, debentures or similar instruments,

(2) indebtedness secured by any mortgage, pledge, lien, charge, encumbrance or any security interest existing on property owned by the Operating Partnership or any Subsidiary, but only to the extent of the lesser of (x) the amount of indebtedness so secured and (y) the fair market value of the property subject to such mortgage, pledge, lien, charge, encumbrance or any security interest existing on property owned by the Operating Partnership or any Subsidiary,

(3) the reimbursement obligations, contingent or otherwise, in connection with any letters of credit actually issued and called or amounts representing the balance deferred and unpaid of the purchase price of any property or services, or all conditional sale obligations or obligations under any title retention agreement,

(4) the principal amount of all obligations of the Operating Partnership or any Subsidiary with respect to redemption, repayment or other repurchase of any Disqualified Stock or

(5) any lease of property by the Operating Partnership or any Subsidiary as lessee which is reflected on the Operating Partnership's consolidated balance sheet as a capitalized lease in accordance with GAAP

and to the extent, in the case of items of indebtedness under (1) through (3) above, that any such items (other than letters of credit) would appear as a liability on the Operating Partnership's consolidated balance sheet in accordance with GAAP, and also includes, to the extent not otherwise included, any obligation by the Operating Partnership or any Subsidiary to be liable for, or to pay, as obligor, guarantor or otherwise (other than for purposes of collection in the ordinary course of business), Debt of another Person (other than the Operating Partnership or any Subsidiary).

"Disqualified Stock" means, with respect to any person, any capital stock of such person which by the terms of such capital stock (or by the terms of any security into which it is convertible or for which it is exchangeable or exercisable), upon the happening of any event or otherwise, (i) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, (ii) is convertible into or exchangeable or exercisable for Debt or Disqualified Stock or (iii) is redeemable at the option of the holder thereof, in whole or in part, in each case on or prior to the stated maturity of a series of debt securities.

"Earnings from Operations" for any period means net earnings excluding gains and losses on sales of investments, net, as reflected in the financial statements of the Operating Partnership and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP.

"Encumbrance" means any mortgage, pledge, lien, charge, encumbrance or any security interest existing on property owned by the Operating Partnership or any Subsidiary securing indebtedness for borrowed money, other than a Permitted Encumbrance.

"Equity Investee" means any Person in which the Operating Partnership or any Subsidiary hold an ownership interest that is accounted for by the Operating Partnership or a Subsidiary under the equity method of accounting.

"GAAP" means generally accepted accounting principles as used in the United States applied on a consistent basis as in effect from time to time; provided, that solely for purposes of calculating these financial covenants, "GAAP" means generally accepted accounting principles as used in the United States on August 14, 2009 consistently applied.

"Permitted Encumbrances" means leases, Encumbrances securing taxes, assessments and similar charges, mechanics liens and other similar Encumbrances.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Refinancing Debt" means Debt issued in exchange for, or the net proceeds of which are used to refinance or refund, then outstanding Debt (including the principal amount, accrued interest and premium, if any, of such Debt plus any fees and expenses incurred in connection with such refinancing); provided that (a) if such new Debt, or the proceeds of such new Debt, are used to refinance or refund Debt that is subordinated in right of payment to the notes, such new Debt shall only be permitted if it is expressly made subordinate in right of payment to the notes at least to the extent that the Debt to be refinanced is subordinated to the notes and (b) such new Debt does not mature prior to the stated maturity of the Debt to be refinanced or refunded, and the weighted average life of such new Debt is at least equal to the remaining weighted average life of the Debt to be refinanced or refunded.

"Subsidiary" means, with respect to any Person, (i) a corporation, partnership, joint venture, limited liability company or other entity the majority of the shares, if any, of the non-voting capital stock or other equivalent ownership interests of which (except directors' qualifying shares) are at the time directly or indirectly owned by such Person and/or any other Subsidiary or Subsidiaries of such Person, and the majority of the shares of the voting capital stock or other equivalent ownership interests of which (except directors' qualifying shares) are at the time directly or indirectly owned by such Person, any other Subsidiary or Subsidiaries of such Person, and (ii) any other entity the accounts of which are consolidated with the accounts of such Person. For the purposes of this definition, "voting capital stock" means capital stock having voting power for the election of directors, whether at all times or only so long as no senior class of capital stock has such voting power by reason of any contingency.

"Total Assets" means, as of any date, the sum of (i) Undepreciated Real Estate Assets and (ii) all of the Operating Partnership and its Subsidiaries' other assets, but excluding accounts receivable and intangibles, determined in accordance with GAAP.

"Total Unencumbered Assets" means the sum of the Operating Partnership and its Subsidiaries' Undepreciated Real Estate Assets and the value determined in accordance with GAAP of all the Operating Partnership and its Subsidiaries' other assets, other than accounts receivable and intangibles, in each case not subject to an Encumbrance.

"Undepreciated Real Estate Assets" as of any date means the cost (original cost plus capital improvements) of real estate assets of the Operating Partnership and its Subsidiaries on such date, before depreciation, amortization and impairment charges determined on a consolidated basis in accordance with GAAP.

"Unsecured Debt" means Debt of the types described in clauses (1), (3) and (4) of the definition thereof which is not secured by any mortgage, lien, charge, pledge or security interest of any kind upon any of the properties of the Operating Partnership or any Subsidiary.

Maintenance of properties. The Operating Partnership will cause all of its properties used or useful in the conduct of its business or the business of any subsidiary to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment and will cause to be made all necessary repairs, renewals, replacements, betterments and improvements of the Operating Partnership's properties, all as in its judgment may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times; provided, however, that the Operating Partnership and its subsidiaries will not be prevented from selling or otherwise disposing for value the Operating Partnership's properties in the ordinary course of business.

Insurance. The Operating Partnership will, and will cause each of the Operating Partnership's subsidiaries to, keep in force upon all of the Operating Partnership's properties and operations policies of insurance carried with responsible companies in such amounts and covering all such risks as shall be customary in the industry in accordance with prevailing market conditions and availability.

Events of Default, Notice and Waiver

The Indenture provides that the following events are events of default with respect to any series of debt securities issued pursuant to it:

(1) default in the payment of any installment of interest or additional amounts payable on any debt securities of such series which continues for 30 days;

(2) default in the payment of the principal, or premium or make-whole amount, if any, on any debt securities of such series at its maturity or redemption date;

(3) default in making any sinking fund payment as required for any debt securities of such series;

(4) default in the performance of any other of the Operating Partnership's covenants contained in the Indenture, other than a covenant in the Indenture solely for the benefit of another series of debt securities issued under the Indenture, which continues for 60 days after written notice as provided in the Indenture;

(5) default in the payment of an aggregate principal amount exceeding $50,000,000 under any bond, note or other evidence of indebtedness or any mortgage, indenture or other instrument under which such indebtedness is issued or by which such indebtedness is secured (or any such indebtedness of any of the Operating Partnership's subsidiaries, which the Operating Partnership has guaranteed), such default having occurred after the expiration of any applicable grace period and having resulted in the acceleration of the maturity of such indebtedness, but only if such indebtedness is not discharged or such acceleration is not rescinded or annulled within ten days after written notice as provided in the Indenture;

(6) the entry by a court of competent jurisdiction of final judgments, orders or decrees against the Operating Partnership or any of the Operating Partnership's subsidiaries in an aggregate amount, excluding amounts fully covered by insurance, in excess of $50,000,000 and such judgments, orders or decrees remain undischarged, unstayed and unsatisfied in an aggregate amount, excluding amounts fully covered by insurance, in excess of $50,000,000 for a period of 60 consecutive days; and

(7) events of bankruptcy, insolvency or reorganization, or court appointment of a receiver, liquidator or trustee for the Operating Partnership, the Company or any significant subsidiary or for all or substantially all of the Operating Partnership's or its significant subsidiary's property.

The term significant subsidiary means each of the Operating Partnership's significant subsidiaries, as defined in Regulation S-X promulgated under the Securities Act.

If an event of default under the Indenture with respect to a series of debt securities occurs and is continuing, then in every such case, unless the principal of the debt securities of such series shall already have become due and payable, the trustee or the holders of not less than 25% in principal amount of such series of debt securities may declare the principal and the make-whole amount on the debt securities of such series to be due and payable immediately by written notice to the Operating Partnership that payment of the debt securities is due, and to the trustee if given by the holders. However, at any time after such a declaration of

acceleration with respect to a series of debt securities has been made, but before a judgment or decree for payment of the money due has been obtained by the trustee, the holders of not less than a majority in principal amount of the debt securities of a series may rescind and annul such declaration and its consequences if the Operating Partnership shall have deposited with the trustee all required payments of the principal of, and premium or make-whole amount and interest on, the debt securities of such series, plus fees, expenses, disbursements and advances of the trustee and all events of default, other than the nonpayment of accelerated principal, the make-whole amount or interest with respect to debt securities of such series have been cured or waived as provided in the Indenture. The Indenture also provides that the holders of not less than a majority in principal amount of the debt securities of a series may waive any past default with respect to such series and its consequences, except a default in the payment of the principal of, or premium or make-whole amount or interest payable on the debt securities or in respect of a covenant or provision contained in the Indenture that cannot be modified or amended without the consent of the holder of each outstanding the debt security affected by the proposed modification or amendment.

The trustee is required to give notice to the holders of the debt securities within 90 days of a default under the Indenture known to the trustee, unless the default has been cured or waived; provided, however, that the trustee may withhold notice to the holders of the debt securities of any default with respect to such series, except a default in the payment of the principal of, or premium or make-whole amount, if any, or interest payable on the debt securities if the responsible officers of the trustee consider such withholding to be in the interest of such holders.

The Indenture provides that no holders of the debt securities may institute any proceedings, judicial or otherwise, with respect to the Indenture or for any remedy which the Indenture provides, 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 not less than 25% in principal amount of the outstanding debt securities, as well as an offer of reasonable indemnity. This provision will not prevent, however, any holder of the debt securities from instituting suit for the enforcement of payment of the principal of, and premium or make-whole amount, or interest on the debt securities at the due date of the debt securities.

Subject to provisions in the Indenture relating to its duties in case of default, the trustee is under no obligation to exercise any of its rights or powers under the Indenture at the request or direction of any holders of any series of debt securities then outstanding under the Indenture, unless such holders shall have offered to the trustee reasonable security or indemnity. The holders of not less than a majority in principal amount of the debt securities of a series shall 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 with respect to that series. However, the trustee may refuse to follow any direction which is in conflict with any law or the Indenture, which may involve the trustee in personal liability or which may be unduly prejudicial to the holders of the debt securities not joining in the proceeding.

Within 120 days after the close of each fiscal year, the Operating Partnership must deliver to the trustee a certificate, signed by one of several specified officers, stating whether or not such officer has knowledge of any default under the Indenture and, if so, specifying each such default and the nature and status of the default.

Modification of the Indenture

Modifications and amendments of the Indenture may be made with the consent of the holders of not less than a majority in principal amount of all outstanding debt securities issued under the Indenture, including the debt securities, which are affected by such modification or amendment; provided, however, that no such modification or amendment may, without the consent of the holder of each debt security affected by the modification or amendment:

(1) change the stated maturity of the principal of, or premium or make-whole amounts, if any, or any installment of principal of or interest or additional amounts payable on, any such debt security;

(2) reduce the principal amount of, or the rate or amount of interest on, or any premium or make-whole amounts payable on redemption of, or any additional amounts payable with respect to, any such debt security, or reduce the amount of principal of an original issue discount security or make-whole amount, if any, that would be due and payable upon declaration of acceleration of the maturity of the debt security or would be provable in bankruptcy, or adversely affect any right of repayment of the holder of any such debt security;

(3) change the place of payment, or the coin or currency, for payment of principal of, and premium or make-whole amounts, if any, or interest on, or any additional amounts payable with respect to, any such debt security;

(4) impair the right to institute suit for the enforcement of any payment on or with respect to any such debt security;

(5) reduce the above-stated percentage of outstanding debt securities of any series necessary to modify or amend the Indenture, to waive compliance with a provisions of the debt security or defaults and consequences under the Indenture or to reduce the quorum or voting requirements set forth in the Indenture;

(6) modify any of the provisions relating to modification of the Indenture or any of the provisions relating to the waiver of past defaults or covenants, except to increase the required percentage to effect such action or to provide that other provisions may not be modified or waived without the consent of the holder of the affected debt security; or

(7) release any guarantor from any of its obligations under its guarantee or the Indenture, except in accordance with the terms of the Indenture.

The holders of not less than a majority in principal amount of outstanding debt securities have the right to waive the Operating Partnership's compliance with covenants in the Indenture applicable to such debt securities other than those covenants which require the consent of each affected holder of debt securities with respect to modifications or amendments to such covenant.

Modifications and amendments of the Indenture may be made by the Operating Partnership and the trustee without the consent of any holder of debt securities for any of the following purposes:

(1) to evidence the succession of another person to the Operating Partnership as obligor or to any guarantor under the Indenture;

(2) to add to the Operating Partnership's or any guarantor's covenants for the benefit of the holders of all or any series of debt securities or to surrender any right or power conferred upon the Operating Partnership or any guarantor in the Indenture;

(3) to add events of default for the benefit of the holders of all or any series of debt securities;

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

(5) to add to, change or eliminate any of the provisions of the Indenture in respect of one or more series of securities, provided that any such addition, change or elimination (i) shall neither (A) apply to any security of any series created prior to the execution of such supplemental indenture and entitled to the benefit of such provision nor (B) modify the rights of the holder of any such security with respect to such provision or (ii) shall become effective only when there is no such security outstanding;

(6) to secure the debt securities or related guarantees;

(7) to establish the form or terms of debt securities of any series;

(8) to provide for the acceptance of appointment by a successor trustee or facilitate the administration of the trust under the Indenture by more than one trustee;

(9) to cure any ambiguity, defect or inconsistency in the Indenture or to make any other changes, provided that in each case, the action shall not adversely affect the interests of holders of debt securities or related guarantees of any series in any material respect;

(10) to close the Indenture with respect to the authentication and delivery of additional series of debt securities or any related guarantees or to qualify, or maintain qualification of, the Indenture under the Trust Indenture Act; or

(11) to supplement any of the provisions of the Indenture to the extent necessary to permit or facilitate defeasance and discharge of any series of such debt securities, provided that the action shall not adversely affect the interests of the holders of the debt securities and any related guarantees of any series in any material respect.

The Indenture provides that in determining whether the holders of the requisite principal amount of outstanding debt securities of a series have given any request, demand, authorization, direction, notice, consent or waiver under the Indenture or whether a quorum is present at a meeting of holders of debt securities:

(1) the principal amount of an original issue discount security that will be deemed to be outstanding shall be the amount of the principal of the debt security that would be due and payable as of the date of the determination upon declaration of acceleration of the maturity of the debt securities;

(2) the principal amount of a debt security denominated in a foreign currency that will be deemed outstanding shall be the United States dollar equivalent, determined on the issue date for the debt securities, of the principal amount, or, in the case of an original issue discount security, the United States dollar equivalent on the issue date of the debt securities of the amount determined as provided in (1) above;

(3) the principal amount of an indexed security that shall be deemed outstanding will be the principal face amount of the indexed security at original issuance, unless otherwise provided with respect to the indexed security pursuant to Section 301 of the Indenture; and

(4) debt securities owned by the Operating Partnership or any other obligor upon the debt securities or any of the Operating Partnership's affiliates or of the other obligor will be disregarded.

The Indenture contains provisions for convening meetings of the holders of debt securities of a series. A meeting may be called at any time by the trustee, and also, upon request, by the Operating Partnership or the holders of at least 10% in principal amount of the outstanding debt securities of that series, in any such case upon notice given as provided in the Indenture.

Except for any consent that must be given by the holder of each debt security affected by modifications and amendments of the Indenture, any resolution presented at a meeting or at an adjourned meeting duly reconvened, at which a quorum is present, may be adopted by the affirmative vote of the holders of a majority in principal amount of the outstanding debt securities of that series; provided, however, that, except as referred to above, 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, which is less than a majority, in principal amount of the outstanding 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 the specified percentage in principal amount of the outstanding debt securities of that series. Any resolution passed or decision taken at any meeting of holders of debt securities of any series duly held in accordance with the Indenture will be binding on all holders of 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 principal amount of the outstanding debt securities of a series; provided, however, that if any action is to be taken at the meeting with respect to a consent or waiver which may be given by the holders of not less than a specified percentage in principal amount of the outstanding debt securities of a series, the persons holding or

representing the specified percentage in principal amount of the outstanding debt securities of that series will constitute a quorum.

Notwithstanding the foregoing provisions, if any action is to be taken at a meeting of holders of debt securities of any series with respect to any request, demand, authorization, direction, notice, consent, waiver or other action that the Indenture expressly provides may be made, given or taken by the holders of a specified percentage in principal amount of all outstanding debt securities affected by the action, or of the holders of that series and one or more additional series:

(1) there shall be no minimum quorum requirement for the meeting; and

(2) the principal amount of the outstanding debt securities of that series that vote in favor of the request, demand, authorization, direction, notice, consent, waiver or other action will be taken into account in determining whether the request, demand, authorization, direction, notice, consent, waiver or other action has been made, given or taken under the Indenture.

Any request, demand, authorization, direction, notice, consent, waiver or other action provided by the Indenture to be given or taken by a specified percentage in principal amount of the holders of any or all series of debt securities may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by the specified percentage of holders in person or by agent duly appointed in writing; and, except as otherwise expressly provided in the Indenture, the action will become effective when the instrument or instruments are delivered to the trustee. Proof of execution of any instrument or of a writing appointing any agent will be sufficient for any purpose of the Indenture and, subject to the Indenture provisions relating to the appointment of any such agent, conclusive in favor of the trustee and the Operating Partnership, if made in the manner specified above.

Discharge, Defeasance and Covenant Defeasance

The Operating Partnership may discharge various obligations to holders of debt securities that have not already been delivered to the trustee for cancellation and that either have become due and payable or will become due and payable within one year, or that are scheduled for redemption within one year. The discharge will be completed by irrevocably depositing with the trustee the funds needed to pay the principal, any make-whole amounts, interest and additional amounts payable to the date of deposit or to the date of maturity, as the case may be.

The Operating Partnership may take either of the following actions with respect to the debt securities:

(1) The Operating Partnership may defease and be discharged from any and all obligations with respect to the debt securities. However, the Operating Partnership would continue to be obligated to pay any additional amounts resulting from tax events, assessment or governmental charges with respect to payments on the debt securities and the obligations to register the transfer or exchange of the debt securities. Additionally, the Operating Partnership would remain responsible for replacing temporary or mutilated, destroyed, lost or stolen debt securities, for maintaining an office or agency in respect of debt securities and for holding moneys for payment in trust.

(2) With respect to the debt securities, the Operating Partnership may elect to effect covenant defeasance and be released from the Operating Partnership's obligations to fulfill the covenants contained under the heading "— Covenants" in this prospectus. Further, the Operating Partnership may elect to be released from the Operating Partnership's obligations with respect to any other covenant in the Indenture, if such a provision is included in the series of debt securities at the time that they are issued. Once the Operating Partnership has made this election, any omission to comply with those covenants shall not constitute a default or an event of default with respect to the series of debt securities.

In either case, the Operating Partnership must irrevocably deposit the needed funds in trust with the trustee.

The trust may only be established if, among other things, the Operating Partnership has delivered an opinion of counsel to the trustee. The opinion of counsel shall state that the holders of the series of debt

securities will not recognize income, gain or loss for United States federal income tax purposes as a result of the defeasance or covenant defeasance and will be subject to United States federal income tax on the same amounts, in the same manner and at the same times as would have been the case if the defeasance or covenant defeasance had not occurred. The opinion of counsel, in the case of defeasance, must refer to and be based upon a ruling of the Internal Revenue Service or a change in applicable United States federal income tax law occurring after the date of the Indenture.

If after the Operating Partnership has deposited funds and/or government obligations to effect defeasance or covenant defeasance with respect to debt securities of any series and

(1) the holder of a series of debt securities is entitled to and elects to receive payment in a currency, currency unit or composite currency other than that in which the deposit has been made in respect of the debt securities; or

(2) a conversion event occurs in respect of the currency, currency unit or composite currency in which such deposit has been made, the indebtedness represented by the debt securities will be deemed to have been, and will be, fully discharged. The indebtedness will be satisfied through the payment of the principal of, and premium or any make-whole amount and interest on, the debt security as they become due out of the proceeds yielded by converting the amount so deposited in respect of the debt security into the currency, currency unit or composite currency in which the debt security becomes payable as a result of the holder's election or the cessation of usage based on the applicable market exchange rate.

"Conversion event" means the cessation of use of:

(1) a currency, currency unit or composite currency, other than the Euro or other currency unit, both by the government of the country which issued such currency and for the settlement of transactions by a central bank or other public institutions of or within the international banking community;

(2) the Euro for the settlement of transactions by public institutions of or within the European Union; or

(3) any currency unit or composite currency other than the Euro for the purposes for which it was established.

All payments of principal of, and premium or any make-whole amount and interest on any debt security that is payable in a foreign currency that ceases to be used by its government of issuance shall be made in United States dollars.

In the event the Operating Partnership effects covenant defeasance with respect to any debt securities and the debt securities are declared due and payable because of the occurrence of any event of default, other than the events of default that would no longer be applicable because of the covenant defeasance or an event of default triggered by an event of bankruptcy or other insolvency proceeding, the amount of funds on deposit with the trustee will be sufficient to pay amounts due on the debt securities at the time of their stated maturity, but may not be sufficient to pay amounts due on the debt securities at the time of the acceleration resulting from the event of default. However, the Operating Partnership would remain liable to make payment of the amounts due at the time of acceleration.

Registration and Transfer

Subject to limitations imposed upon debt securities issued in book-entry form, the debt securities of any series will be exchangeable for other debt securities of the same series and of a like aggregate principal amount and tenor of different authorized denominations upon surrender of the debt securities at the corporate trust office of the trustee referred to above. In addition, subject to the limitations imposed upon debt securities issued in book-entry form, the debt securities of any series may be surrendered for exchange or registration of transfer of the debt security at the corporate trust office of the trustee referred to above. Every debt security surrendered for registration of transfer or exchange will be duly endorsed or accompanied by a written instrument of transfer. No service charge will be made for any registration of transfer or exchange of any debt securities, but the Operating Partnership may require payment of a sum sufficient to cover any tax or other

governmental charge payable in connection therewith. The Operating Partnership may at any time designate a transfer agent, in addition to the trustee, with respect to any series of debt securities. If the Operating Partnership has designated such a transfer agent or transfer agents, the Operating Partnership may at any time rescind the designation of any such transfer agent or approve a change in the location at which any such transfer agent acts, except that the Operating Partnership will be required to maintain a transfer agent in each place of payment for the series.

Neither the Operating Partnership nor the trustee will be required to:

(1) issue, register the transfer of or exchange debt securities of any series during a period beginning at the opening of business 15 days before any selection of debt securities of that series to be redeemed and ending at the close of business on the day of mailing of the relevant notice of redemption;

(2) register the transfer of or exchange any debt security, or portion of security, called for redemption, except the unredeemed portion of any debt security being redeemed in part; or

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

Global Securities

The debt securities of a series may be issued in whole or in part in the form of one or more global securities that will be deposited with, or on behalf of, a depository identified in the applicable prospectus supplement relating to the series. Global securities, if any, are expected to be deposited with The Depository Trust Company ("DTC") as depository. Each global security will be issued:

- only in fully registered form; and
- without interest coupons.

You may hold your beneficial interests in the global securities directly through DTC if you have an account at DTC, or indirectly through organizations that have accounts at DTC.

Redemption notices will be sent to DTC. If less than all of the debt securities within a series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each direct participant in the series to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to the debt securities. Under its usual procedures, DTC mails an omnibus proxy to the Operating Partnership as soon as possible after the record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those direct participants to whose accounts the notes are credited on the record date, which are identified in a listing attached to the omnibus proxy.

The Operating Partnership may, at any time, decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, certificates representing the debt securities will be printed and delivered.

What is a global security? A global security is a special type of indirectly held security in the form of a certificate held by a depository for the investors in a particular issue of securities. The debt securities will be issued in the form of global securities, and the ultimate beneficial owners can only be indirect holders. The Operating Partnership does this by requiring that the global securities be registered in the name of a financial institution the Operating Partnership selects and by requiring that the debt securities included in the global securities not be transferred to the name of any other direct holder unless the special circumstances described below occur. The financial institution that acts as the sole direct holder of the global securities is called the "Depository". Any person wishing to own a debt security must do so indirectly by virtue of an account with a broker, bank or other financial institution that in turn has an account with the Depository.

Except as described below, each global security may be transferred, in whole and not in part, only to DTC, to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in global

securities will be represented, and transfers of such beneficial interests will be made, through accounts of financial institutions acting on behalf of beneficial owners either directly as account holders, or indirectly through account holders, at DTC.

Special investor considerations for global securities. As an indirect holder, an investor's rights relating to global securities will be governed by the account rules of the investor's financial institution and of the Depository, DTC, as well as general laws relating to securities transfers. The Operating Partnership does not recognize this type of investor as a holder of debt securities and instead deals only with DTC, the Depository that holds global securities.

An investor in global securities should be aware that because the debt securities are issued only in the form of global securities:

- The investor cannot get debt securities registered in his or her own name.
- The investor cannot receive physical certificates for his or her interest in the debt securities.
- The investor will be a "street name" holder and must look to his or her own bank or broker for payments on the debt securities and protection of his or her legal rights relating to the debt securities.
- The investor may not be able to sell interests in the debt securities to some insurance companies and other institutions that are required by law to own their securities in the form of physical certificates.
- DTC's policies will govern payments, transfers, exchanges and other matters relating to the investor's interest in the global notes. The Operating Partnership and the trustee have no responsibility for any aspect of DTC's actions or for its records of ownership interests in the global securities. The Operating Partnership and the trustee also do not supervise DTC in any way.

Exchanges among the global securities. Any beneficial interest in one of the global securities that is transferred to a person who takes delivery in the form of an interest in another global security will, upon transfer, cease to be an interest in such global note and become an interest in the other global security and, accordingly, will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to beneficial interests in such other global security for as long as it remains such an interest.

Certain book-entry procedures for the global securities. The descriptions of the operations and procedures of DTC, Euroclear and Clearstream set forth below are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to change by them from time to time. Neither the Operating Partnership nor the dealer managers take any responsibility for these operations or procedures, and investors are urged to contact the relevant system or its participants directly to discuss these matters.

Beneficial interests in the global securities will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Investors may elect to hold interests in the global securities through DTC either directly if they are participants in DTC or indirectly through organizations that are participants in DTC.

Clearstream. Clearstream is incorporated under the laws of the Grand Duchy of Luxembourg as a professional depository. Clearstream holds securities for its participating organizations ("Clearstream Participants") and facilitates the clearance and settlement of securities transactions between Clearstream Participants through electronic book-entry changes in accounts of Clearstream Participants, thereby eliminating the need for physical movement of certificates. Clearstream provides Clearstream Participants with, among other things, services for safekeeping, administration, clearance and establishment of internationally traded securities and securities lending and borrowing. Clearstream interfaces with domestic markets in several countries. As a professional depository, Clearstream is subject to regulation by the Luxembourg Monetary Institute. Clearstream Participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations, and may include the dealer mangers. 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 debt securities held beneficially through Clearstream will be credited to cash accounts of Clearstream Participants in accordance with its rules and procedures to the extent received by a United States depository for Clearstream.

Euroclear. Euroclear was created in 1968 to hold securities for participants of Euroclear (“Euroclear Participants”) and to clear and settle transactions between Euroclear Participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear includes various other services, including securities lending and borrowing and interfaces with domestic markets in several markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V. (the “Euroclear Operator”), under contract with Euroclear Clearance Systems S.C., a Belgian cooperative corporation (the “Cooperative”). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not the Cooperative. The Cooperative establishes policy for Euroclear on behalf of Euroclear Participants. Euroclear Participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the dealer managers. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly.

The Euroclear Operator is regulated and examined by the Belgian Banking Commission.

DTC. DTC has advised the Operating Partnership that it is:

(1) a limited-purpose trust company organized under the New York State Banking Law;

(2) a “banking organization” within the meaning of the New York State Banking Law;

(3) a member of the Federal Reserve System;

(4) a “clearing corporation” within the meaning of the New York Uniform Commercial Code, as amended; and

(5) a “clearing agency” registered pursuant to Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and facilitates the clearance and settlement of securities transactions between participants through electronic book-entry changes to the accounts of its participants, thereby eliminating the need for physical transfer and delivery of certificates. DTC’s participants include securities brokers and dealers, banks and trust companies, clearing corporations and certain other organizations. Indirect access to DTC’s system is also available to other entities such as banks, brokers, dealers and trust companies (collectively, the “Indirect Participants”) that clear through or maintain a custodial relationship with a participant, either directly or indirectly. Investors who are not participants may beneficially own securities held by or on behalf of DTC only through participants or Indirect Participants.

The Operating Partnership expects that pursuant to procedures established by DTC (1) upon deposit of each global security, DTC will credit the accounts of participants with an interest in the global security and (2) ownership of the debt securities will be shown on, and the transfer of ownership thereof will be effected only through, records maintained by DTC (with respect to the interests of participants) and the records of participants and the Indirect Participants (with respect to the interests of persons other than participants).

The laws of some jurisdictions may require that certain purchasers of securities take physical delivery of such securities in definitive form. Accordingly, the ability to transfer interests in the debt securities represented by a global security to such persons may be limited. In addition, because DTC can act only on behalf of its participants, who in turn act on behalf of persons who hold interests through participants, the ability of a person having an interest in debt securities represented by a global security to pledge or transfer such interest to persons or entities that do not participate in DTC’s system, or to otherwise take actions in respect of such interest, may be affected by the lack of a physical definitive security in respect of such interest.

So long as DTC or its nominee is the registered owner of a global security, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the debt securities represented by the global note for all purposes under the Indenture. Owners of beneficial interests in a global security will not be entitled to have debt securities represented by such global security registered in their names, will not receive or be entitled to receive physical delivery of certificated notes, and will not be considered the owners or holders thereof under the Indenture for any purpose, including with respect to the giving of any direction, instruction or approval to the trustee thereunder. Accordingly, each holder owning a beneficial interest in a global security must rely on the procedures of DTC and, if such holder is not a participant or an Indirect Participant, on the procedures of the participant through which such holder owns its interest, to exercise any rights of a holder of debt securities under the Indenture or such global security. The Operating Partnership understands that under existing industry practice, in the event that the Operating Partnership requests any action of holders of debt securities, or a holder that is an owner of a beneficial interest in a global security desires to take any action that DTC, as the holder of such global security, is entitled to take, DTC would authorize the participants to take such action and the participants would authorize holders owning through such participants to take such action or would otherwise act upon the instruction of such holders. Neither the Operating Partnership nor the trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of the debt securities by DTC, or for maintaining, supervising or reviewing any records of DTC relating to such debt securities.

Payments with respect to the principal of, and premium, if any, additional interest, if any, and interest on, any debt securities represented by a global security registered in the name of DTC or its nominee on the applicable record date will be payable by the trustee to or at the direction of DTC or its nominee in its capacity as the registered holder of the global note representing such debt securities under the Indenture. Under the terms of the Indenture, the Operating Partnership and the trustee may treat the persons in whose names the debt securities, including the global securities, are registered as the owners thereof for the purpose of receiving payment thereon and for any and all other purposes whatsoever. Accordingly, neither the Operating Partnership nor the trustee has or will have any responsibility or liability for the payment of such amounts to owners of beneficial interests in a global security (including principal, premium, if any, additional interest, if any, and interest). Payments by the participants and the Indirect Participants to the owners of beneficial interests in a global security will be governed by standing instructions and customary industry practice and will be the responsibility of the participants or the Indirect Participants and DTC.

Transfers between participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same-day funds. Transfers between participants in Euroclear or Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures. Subject to compliance with the transfer restrictions applicable to the debt securities, cross-market transfers between the participants in DTC, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depository; however, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with the rules and procedures and within the established deadlines (Brussels, Belgium time) of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to DTC to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant global securities in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositaries for Euroclear or Clearstream.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in a global security from a participant in DTC will be credited, and any such crediting will be reported to the relevant Euroclear or Clearstream participant, during the securities settlement processing day (which must be a business day for Euroclear and Clearstream) immediately following the settlement date of DTC. Cash received in Euroclear or Clearstream as a result of sales of interests in a global security by or through a Euroclear or Clearstream participant to a participant in DTC will be received with

value on the settlement date of DTC but will be available in the relevant Euroclear or Clearstream cash account only as of the business day for Euroclear or Clearstream following DTC's settlement date.

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures to facilitate transfers of interests in global securities among participants in DTC, Euroclear and Clearstream, they are under no obligation to perform or to continue to perform such procedures, and such procedures may be discontinued at any time. Neither the Operating Partnership nor the trustee will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Links have been established among DTC, Clearstream and Euroclear to facilitate the initial issuance of the debt securities sold outside of the United States and cross-market transfers of the notes associated with secondary market trading. Although DTC, Clearstream and Euroclear have agreed to the procedures provided below in order to facilitate transfers, they are under no obligation to perform these procedures, and these procedures may be modified or discontinued at any time.

Clearstream and Euroclear will record the ownership interests of their participants in much the same way as DTC, and DTC will record the total ownership of each of the United States agents of Clearstream and Euroclear, as participants in DTC. When debt securities are to be transferred from the account of a DTC participant to the account of a Clearstream participant or a Euroclear participant, the purchaser must send instructions to Clearstream or Euroclear through a participant at least one day prior to settlement. Clearstream or Euroclear, as the case may be, will instruct its United States agent to receive debt securities against payment. After settlement, Clearstream or Euroclear will credit its participant's account. Credit for the notes will appear on the next day (European time).

Because settlement is taking place during New York business hours, DTC participants will be able to employ their usual procedures for sending debt securities to the relevant United States agent acting for the benefit of Clearstream or Euroclear participants. The sale proceeds will be available to the DTC seller on the settlement date. As a result, to the DTC participant, a cross-market transaction will settle no differently than a trade between two DTC participants. When a Clearstream or Euroclear participant wishes to transfer debt securities to a DTC participant, the seller will be required to send instructions to Clearstream or Euroclear through a participant at least one business day prior to settlement. In these cases, Clearstream or Euroclear will instruct its United States agent to transfer these debt securities against payment for them. The payment will then be reflected in the account of the Clearstream or Euroclear participant the following day, with the proceeds back valued to the value date, which would be the preceding day, when settlement occurs in New York, if settlement is not completed on the intended value date, that is, the trade fails, proceeds credited to the Clearstream or Euroclear participant's account will instead be valued as of the actual settlement date.

You should be aware that you will only be able to make and receive deliveries, payments and other communications involving the debt securities through Clearstream and Euroclear on the days when those clearing 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. 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.

Definitive securities. A global security is exchangeable for definitive securities in registered certificated form ("Certificated Securities") if:

(1) DTC (a) notifies the issuer that it is unwilling or unable to continue as depository for the global securities or (b) has ceased to be a clearing agency registered under the Exchange Act, and in each cash the issuer fails to appoint a successor depository;

(2) the issuer, at its option, notifies the trustee in writing that it elects to cause the issuance of the Certificated Securities; or

(3) there shall have occurred and be continuing a default or event of default with respect to the debt securities.

In all cases, Certificated Securities delivered in exchange for any global security or beneficial interests in global securities will be registered in the names, and issued in any approved denominations, requested by or on behalf of DTC (in accordance with its customary procedures).

Settlement and Payment

Transfers between participants in DTC will be effected in the ordinary way in accordance with DTC rules and will be settled in same-day funds. All payments of principal and interest will be made by the Operating Partnership in immediately available funds or the equivalent, so long as DTC continues to make its Same-Day Funds Settlement System available to it.

No Personal Liability

Except as provided in the Indenture, no past, present or future trustee, director, officer, employee, stockholder or partner of the Operating Partnership or the Company or any successor to the Operating Partnership or the Company will have any liability for any of the Operating Partnership's or the Company's obligations under the debt securities or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder of debt securities by accepting the debt securities waives and releases all such liability. The waiver and release are part of the consideration for the issue of debt securities.

Trustee

U.S. Bank National Association will be the trustee, registrar and paying agent. Under the Indenture, the trustee may resign or be removed with respect to the debt securities, and a successor trustee may be appointed to act with respect to the debt securities. If an event of default occurs and is continuing, the trustee will be required to use the degree of care and skill of a prudent man in the conduct of his own affairs. The trustee will become obligated to exercise any of its powers under the Indenture at the request of any of the holders of any debt securities only after those holders have offered the trustee indemnity satisfactory to it. If the trustee becomes one of a creditor of the Operating Partnership or the Company, it will be subject to limitations on its rights to obtain payment of claims or to realize on some property received for any such claim, as security or otherwise. The trustee is permitted to engage in other transactions with the Operating Partnership and the Company. If, however, it acquires any conflicting interest, it must eliminate that conflict or resign.

The Indenture provides that there may be more than one trustee, each with respect to one or more series of debt securities. Any trustee under the Indenture may resign or be removed with respect to one or more series of debt securities, and a successor trustee may be appointed to act with respect to the series. In the event that two or more persons are acting as trustee with respect to different series of debt securities, each such trustee will be a trustee of a trust under the Indenture separate and apart from the trust administered by any other trustee. Except as otherwise indicated in this prospectus, any action described in this prospectus to be taken by the trustee may be taken by each such trustee with respect to, and only with respect to, the one or more series of debt securities for which it is trustee under the Indenture.

UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following is a general summary of the U.S. federal income tax considerations regarding our election to be taxed as a real estate investment trust ("REIT") and the ownership and disposition of our capital stock. The tax consequences of owning and disposing of debt securities are not summarized in this discussion. Since these provisions are highly technical and complex, if you are a prospective investor of our debt securities, preferred stock or common stock, then you are urged to consult your own tax advisor with respect to the U.S. federal, state, local, foreign and other tax consequences of the purchase, ownership and disposition of the debt securities, preferred stock or common stock. This summary of material federal income tax considerations is for general information only and is not tax advice. The information in this summary is based on current law, including:

- the Internal Revenue Code of 1986, as amended;
- current, temporary and proposed Treasury regulations promulgated under the Internal Revenue Code;

- the legislative history of the Internal Revenue Code;
- current administrative interpretations and practices of the Internal Revenue Service; and
- court decisions;

in each case, as of the date of this prospectus. In addition, the administrative interpretations and practices of the Internal Revenue Service include its practices and policies as expressed in private letter rulings which are not binding on the Internal Revenue Service except with respect to the particular taxpayers that requested and received those rulings. Future legislation, Treasury regulations, administrative interpretations and practices and/or court decisions may adversely affect the tax considerations described in this prospectus. Any such change could apply retroactively.

In addition, this summary does not consider the effect of any foreign, state, local or other tax laws that may be applicable to us or to our stockholders.

We have not requested, and do not plan to request, any rulings from the Internal Revenue Service with respect to matters contained in this discussion, and the statements in this prospectus are not binding on the Internal Revenue Service or any court. We can provide no assurance that the tax considerations described in this discussion will not be challenged by the Internal Revenue Service or, if so challenged, would be sustained by a court.

You are urged to consult your tax advisor regarding the specific tax consequences to you of:

- **The acquisition, ownership and sale or other disposition of the securities offered by this prospectus, including the federal, state, local, foreign and other tax consequences;**
- **Our election to be taxed as a REIT for federal income tax purposes; and**
- **Potential changes in applicable tax laws.**

Our qualification as a REIT

General. We elected to be taxed as a REIT under Sections 856 through 860 of the Internal Revenue Code, commencing with our taxable year ending December 31, 1997. We believe that we have been organized and have operated in a manner that allows us to qualify for taxation as a REIT under the Internal Revenue Code commencing with our taxable year ending December 31, 1997, and we currently intend to continue to be organized and operate in this manner. However, our qualification and taxation as a REIT depend upon our ability to meet the various qualification tests imposed under the Internal Revenue Code, including through actual annual operating results, asset composition, distribution levels and diversity of stock ownership, the results of which have not been and will not be reviewed by our tax counsel. Accordingly, the actual results of our operations during any particular taxable year may not satisfy those requirements, and no assurance can be given that we have operated or will continue to operate in a manner so as to qualify or remain qualified as a REIT. See "— Failure to Qualify".

The sections of the Internal Revenue Code and the corresponding Treasury regulations that relate to the qualification and taxation as a REIT are highly technical and complex. This summary is qualified in its entirety by the applicable Internal Revenue Code provisions, relevant rules and Treasury regulations promulgated under the Internal Revenue Code, and administrative and judicial interpretations of the Internal Revenue Code, and those rules and Treasury regulations.

Provided we qualify for taxation as a REIT, we generally will not be required to pay federal corporate income taxes on our net income that is currently distributed to our stockholders. This treatment substantially eliminates the "double taxation" that ordinarily results from investment in a "C corporation". Double taxation means taxation once at the corporate level when income is earned and once again at the stockholder level when that income is distributed. We will, however, be required to pay federal income tax as follows:

- First, we will be required to pay tax at regular corporate rates on any undistributed "REIT taxable income", including undistributed net capital gains.

- Second, we may be required to pay the "alternative minimum tax" on our items of tax preference under some circumstances.
- Third, if we have (1) net income from the sale or other disposition of "foreclosure property" held primarily for sale to customers in the ordinary course of business or (2) other nonqualifying income from foreclosure property, we will be required to pay tax at the highest corporate rate on this income. Foreclosure property is generally property acquired through foreclosure or after a default on a loan secured by the property or a lease of the property.
- Fourth, we will be required to pay a 100% tax on any net income from prohibited transactions. Prohibited transactions are, in general, sales or other taxable dispositions of property, other than foreclosure property, held primarily for sale to customers in the ordinary course of business.
- Fifth, if we fail to satisfy the 75% gross income test or the 95% gross income test, as described below, but have otherwise maintained our qualification as a REIT because certain other requirements are met, we will be required to pay a tax equal to (1) the greater of (A) the amount by which 75% of our gross income exceeds the amount qualifying under the 75% gross income test, and (B) the amount by which 95% of our gross income exceeds the amount qualifying under the 95% gross income test, multiplied by (2) a fraction intended to reflect our profitability.
- Sixth, if we fail to satisfy any of the REIT asset tests (other than a de minimis failure of the 5% or 10% asset tests), as described below, provided such failure is due to reasonable cause and not due to willful neglect, and we nonetheless maintain our REIT qualification because of specified cure provisions, we will be required to pay a tax equal to the greater of $50,000 or the highest corporate tax rate multiplied by the net income generated by the nonqualifying assets that caused us to fail such test.
- Seventh, if we fail to satisfy any provision of the Internal Revenue Code that would result in our failure to qualify as a REIT (other than a violation of the REIT gross income tests or certain violations of the asset tests described below) and the violation is due to reasonable cause and not due to willful neglect, we may retain our REIT qualification but we will be required to pay a penalty of $50,000 for each such failure.
- Eighth, we will be required to pay a 4% excise tax to the extent we fail to distribute during each calendar year at least the sum of (1) 85% of our REIT ordinary income for the year, (2) 95% of our REIT capital gain net income for the year, and (3) any undistributed taxable income from prior periods.
- Ninth, if we acquire any asset from a corporation that is or has been a C corporation in a transaction in which the basis of the asset in our hands is determined by reference to the basis of the asset in the hands of the C corporation, and we subsequently recognize gain on the disposition of the asset during the ten-year period (five-year period for gains recognized in 2011) beginning on the date on which we acquired the asset, then we will be required to pay tax at the highest regular corporate tax rate on this gain to the extent of the excess of (1) the fair market value of the asset over (2) our adjusted basis in the asset, in each case determined as of the date on which we acquired the asset. The results described in this paragraph with respect to the recognition of gain assume that the necessary parties make or refrain from making the appropriate elections under the applicable Treasury regulations then in effect.
- Tenth, we will be required to pay a 100% tax on any "redetermined rents", "redetermined deductions" or "excess interest". In general, redetermined rents are rents from real property that are overstated as a result of services furnished by a "taxable REIT subsidiary" of our company to any of our tenants. See "— Ownership of Interests in Taxable REIT Subsidiaries". Redetermined deductions and excess interest generally represent amounts that are deducted by a taxable REIT subsidiary of ours for amounts paid to us that are in excess of the amounts that would have been deducted based on arm's length negotiations. See "— Redetermined Rents, Redetermined Deductions, and Excess Interest" below.

Requirements for Qualification as a REIT. The Internal Revenue Code defines a REIT as a corporation, trust or association:

(1) that is managed by one or more trustees or directors;

(2) that issues transferable shares or transferable certificates to evidence its beneficial ownership;

(3) that would be taxable as a domestic corporation, but for Sections 856 through 860 of the Internal Revenue Code;

(4) that is not a financial institution or an insurance company within the meaning of certain provisions of the Internal Revenue Code;

(5) that is beneficially owned by 100 or more persons;

(6) not more than 50% in value of the outstanding stock of which is owned, actually or constructively, by five or fewer individuals, (as defined in the Internal Revenue Code to include certain entities) during the last half of each taxable year; and

(7) that meets other tests, described below, regarding the nature of its income and assets and the amount of its distributions.

The Internal Revenue Code provides that conditions (1) through (4), inclusive, must be met during the entire taxable year and that condition (5) must be met during at least 335 days of a taxable year of twelve months, or during a proportionate part of a taxable year of less than twelve months. Conditions (5) and (6) above do not apply until after the first taxable year for which an election is made to be taxed as a REIT.

For purposes of condition (6), specified tax-exempt entities are treated as individuals, except that a "look-through" exception applies with respect to pension funds.

We believe that we have been organized, have operated and have issued sufficient shares of capital stock with sufficient diversity of ownership to allow us to satisfy conditions (1) through (7), inclusive, during the relevant time periods. In addition, our charter provides for restrictions on the ownership and transfer of our shares intended to assist us in continuing to satisfy the share ownership requirements described in conditions (5) and (6) above. These stock ownership and transfer restrictions may not ensure that we will, in all cases, be able to satisfy the share ownership requirements described in conditions (5) and (6) above. If we fail to satisfy these share ownership requirements, except as provided in the next sentence, our status as a REIT will terminate. If, however, we comply with the rules contained in applicable Treasury regulations that require us to ascertain the actual ownership of our shares and we do not know, or would not have known through the exercise of reasonable diligence, that we failed to meet the requirement described in condition (6) above, we will be treated as having met this requirement. See the section below entitled "— Failure to Qualify".

In addition, we may not maintain our status as a REIT unless our taxable year is the calendar year. We have and intend to continue to have a calendar taxable year.

Ownership of a Partnership Interest. We own and operate one or more properties through partnerships and limited liability companies treated as partnerships for federal income tax purposes. Treasury regulations provide that if we are a partner in a partnership, we will be deemed to own our proportionate share of the assets of the partnership based on our interest in the partnership's capital, subject to special rules relating to the 10% asset test described below. We also will be deemed to be entitled to our proportionate share of the income of the partnership. The character of the assets and gross income of the partnership retains the same character in our hands for purposes of Section 856 of the Internal Revenue Code, including satisfying the gross income tests and the asset tests. In addition, for these purposes, the assets and items of income of any partnership in which we directly or indirectly own an interest include such partnership's share of assets and items of income of any partnership in which it owns an interest. Thus, our proportionate share of the assets and items of income of the Operating Partnership, including the Operating Partnership's share of these items for any partnership in which the Operating Partnership owns an interest, are treated as our assets and items of income for purposes of applying the requirements described in this prospectus, including the income and asset tests described below. We have included a brief summary of the rules governing the federal income taxation of

partnerships below in "— Tax Aspects of the Operating Partnership, the Subsidiary Partnerships and the Limited Liability Companies".

We have direct control of the Operating Partnership and indirect control of some of our subsidiary partnerships, and we intend to continue to operate them in a manner consistent with the requirements for qualification as a REIT. However, we are a limited partner in certain partnerships. If a partnership in which we own an interest takes or expects to take actions that could jeopardize our status as a REIT or require us to pay tax, we may be forced to dispose of our interest in such entity. In addition, it is possible that a partnership could take an action that could cause us to fail a REIT income or asset test, and that we would not become aware of such action in time to dispose of our interest in the partnership or take other corrective action on a timely basis. In that case, we could fail to qualify as a REIT unless we were entitled to relief, as described below. See "— Failure to Qualify" below. The treatment described in this paragraph also applies with respect to our ownership of interests in limited liability companies or other entities or arrangements that are treated as partnerships for federal income tax purposes.

Ownership of Interests in Qualified REIT Subsidiaries. We own 100% of the stock of a number of corporate subsidiaries that we believe will be treated as qualified REIT subsidiaries under the Internal Revenue Code, and may acquire additional qualified REIT subsidiaries in the future. A corporation will qualify as a qualified REIT subsidiary if we own 100% of its stock and it is not a "taxable REIT subsidiary", as described below. A qualified REIT subsidiary is not treated as a separate corporation for federal income tax purposes. All assets, liabilities and items of income, deduction and credit of a qualified REIT subsidiary are treated as our assets, liabilities and such items (as the case may be) for all purposes under the Internal Revenue Code, including the REIT qualification tests. For this reason, references in this discussion to our income and assets include the income and assets of any qualified REIT subsidiary we own. A qualified REIT subsidiary is not required to pay federal income tax, and our ownership of the stock of a qualified REIT subsidiary will not violate the restrictions on ownership of securities, as described below under ''— Asset Tests".

Ownership of Interests in Taxable REIT Subsidiaries. Our taxable REIT subsidiaries are corporations other than REITs and qualified REIT subsidiaries in which we directly or indirectly hold stock, and that have made a joint election with us to be treated as taxable REIT subsidiaries. A taxable REIT subsidiary also includes any corporation other than a REIT with respect to which one of our taxable REIT subsidiaries owns more than 35% of the total voting power or value of the outstanding securities of such corporation. Other than some activities relating to lodging and health care facilities, a taxable REIT subsidiary may generally engage in any business, including the provision of customary or non-customary services to tenants of its parent REIT. A taxable REIT subsidiary is subject to federal income tax as a regular C corporation. In addition, our taxable REIT subsidiaries may be prevented from deducting interest on debt funded directly or indirectly by us if certain tests regarding the taxable REIT subsidiary's debt to equity ratio and interest expense are not satisfied. We currently hold an interest in a number of taxable REIT subsidiaries, and may acquire securities in one or more additional taxable REIT subsidiaries in the future. Our ownership of securities of taxable REIT subsidiaries will not be subject to the 5% or 10% asset tests described below under "— Asset Tests".

Affiliated REIT. We own an interest in certain corporate subsidiaries which have elected to be taxed as REITs. Provided each of these subsidiary REITs qualifies as a REIT, our interest in each subsidiary REIT will be treated as a qualifying real estate asset for purposes of the REIT asset tests and any dividend income or gains derived by us from each such subsidiary REIT will generally be treated as income that qualifies for purposes of the REIT gross income tests. To qualify as a REIT, each subsidiary REIT must independently satisfy the various REIT qualification requirements described in this summary. If a subsidiary REIT were to fail to qualify as a REIT, and certain relief provisions did not apply, such subsidiary REIT would be treated as a taxable C corporation and its income would be subject to federal income tax. In addition, a failure of a subsidiary REIT to qualify as a REIT could have an adverse effect on our ability to comply with the REIT income and asset tests, and thus could impair our ability to qualify as a REIT. In addition, one subsidiary REIT, Palmtree Acquisition Corporation, is the successor of Catellus Development Corporation, which was a

C corporation that elected to be treated as a REIT effective January 1, 2004 and is therefore subject to the built-in gain rules discussed above. Therefore, Palmtree Acquisition Corporation could be subject to a corporate level tax at the highest regular corporate rate (currently 35%) on any gain recognized within ten years (reduced to five years for gain recognized in 2011) of Catellus Development Corporation's conversion to a REIT from the sale of any assets that Catellus Development Corporation held at the effective time of its election to be a REIT, but only to the extent of the built-in gain based on the fair market value of those assets as of the effective date of the REIT election. Palmtree Acquisition Corporation is not currently expected to dispose of any assets if such disposition would result in the imposition of a material tax liability unless such disposition can be effected through a tax-deferred exchange of the property. However, certain assets are subject to third party purchase options that may require Palmtree Acquisition Corporation to sell such assets, and those assets may carry deferred tax liabilities that would be triggered on such sales.

Income Tests. We must satisfy two gross income requirements annually to maintain our qualification as a REIT. First, in each taxable year, we must derive directly or indirectly at least 75% of our gross income, excluding gross income from prohibited transactions, from certain hedging transactions entered into after July 30, 2008 and from certain foreign currency gains recognized after July 30, 2008, from investments relating to real property or mortgages on real property, including "rents from real property" and, in certain circumstances, interest, or from certain types of temporary investments. Second, in each taxable year, we must derive at least 95% of our gross income (excluding gross income from prohibited transactions, from certain hedges of indebtedness, from certain other hedges entered into after July 30, 2008 and from certain foreign currency gains recognized after July 30, 2008), from (a) these real property investments, (b) dividends, interest and gain from the sale or disposition of stock or securities, or (c) any combination of the foregoing. For these purposes, the term "interest" generally does not include any amount received or accrued, directly or indirectly, if the determination of all or some of the amount depends in any way on the income or profits of any person. However, an amount received or accrued generally will not be excluded from the term "interest" solely by reason of being based on a fixed percentage or percentages of receipts or sales.

Rents we receive from a tenant will qualify as "rents from real property" for the purpose of satisfying the gross income requirements described above only if all of the following conditions are met:

- The amount of rent must not be based in whole or in part on the income or profits of any person. However, an amount we receive or accrue generally will not be excluded from the term "rents from real property" solely because it is based on a fixed percentage or percentages of receipts or sales;
- We, or an actual or constructive owner of 10% or more of our stock, must not actually or constructively own 10% or more of the interests in the assets or net profits of the tenant, or, if the tenant is a corporation, 10% or more of the total combined voting power of all classes of stock entitled to vote or 10% or more of the total value of all classes of stock of the tenant. Rents received from such a tenant that is also a taxable REIT subsidiary, however, will not be excluded from the definition of "rents from real property" as a result of this condition if at least 90% of the space at the property to which the rents relate is leased to third parties, and the rents paid by the taxable REIT subsidiary are substantially comparable to rents paid by other tenants for comparable space. Whether rents paid by a taxable REIT subsidiary are substantially comparable to rents paid by other tenants is determined at the time the lease with the taxable REIT subsidiary is entered into, extended, and modified, if such modification increases the rents due under such lease. Notwithstanding the foregoing, however, if a lease with a "controlled taxable REIT subsidiary" is modified and such modification results in an increase in the rents payable by such taxable REIT subsidiary, any such increase will not qualify as "rents from real property". For purposes of this rule, a "controlled taxable REIT subsidiary" is a taxable REIT subsidiary in which we own stock possessing more than 50% of the voting power or more than 50% of the total value;
- Rent attributable to personal property leased in connection with a lease of real property must not be greater than 15% of the total rent received under the lease. If this requirement is not met, then the portion of the rent attributable to personal property will not qualify as "rents from real property"; and
- We generally must not operate or manage our property or furnish or render services to our tenants, subject to a 1% de minimis exception, other than through an independent contractor from whom we

derive no revenue. We may, however, directly perform certain services that are "usually or customarily rendered" in connection with the rental of space for occupancy only and are not otherwise considered "rendered to the occupant" of the property. Examples of such services include the provision of light, heat, or other utilities, trash removal and general maintenance of common areas. In addition, we may employ a taxable REIT subsidiary, which may be wholly or partially owned by us, to provide both customary and non-customary services to our tenants without causing the rent we receive from those tenants to fail to qualify as "rents from real property". Any amounts we receive from a taxable REIT subsidiary with respect to its provision of non-customary services will, however, be nonqualifying income under the 75% gross income test and, except to the extent received through the payment of dividends, the 95% gross income test.

We generally do not intend, and as the general partner of the Operating Partnership, do not intend to permit the Operating Partnership, to take actions we believe will cause us to fail to satisfy any of the rental conditions described above. However, we may intentionally have taken and may intentionally continue to take actions that fail to satisfy these conditions to the extent the failure will not, based on the advice of tax counsel, jeopardize our tax status as a REIT. In addition, with respect to the limitation on the rental of personal property, we have not obtained appraisals of the real property and personal property leased to tenants. Accordingly, there can be no assurance that the IRS will agree with our determinations of value.

From time to time, we may enter into hedging transactions with respect to one or more of our assets or liabilities. Our hedging activities may include entering into interest rate swaps, caps, and floors, options to purchase these items, and futures and forward contracts. Income from a hedging transaction, including gain from the sale or disposition of such a transaction, that is clearly and timely identified as a hedging transaction as specified in the Internal Revenue Code will not constitute gross income and thus will be exempt from the 95% gross income test to the extent such a hedging transaction is entered into on or after January 1, 2005, and will not constitute gross income and thus will be exempt from the 75% gross income test to the extent such hedging transaction is entered into after July 30, 2008. Income and gain from a hedging transaction, including gain from the sale or disposition of such a transaction, entered into on or prior to July 30, 2008 will be treated as nonqualifying income for purposes of the 75% gross income test. Income and gain from a hedging transaction, including gain from the sale or disposition of such a transaction, entered into prior to January 1, 2005 will be qualifying income for purposes of the 95% gross income test. The term "hedging transaction", as used above, generally means any transaction we enter into in the normal course of our business primarily to manage risk of (1) interest rate changes or fluctuations with respect to borrowings made or to be made by us to acquire or carry real estate assets, and (2) for hedging transactions entered into after July 30, 2008, currency fluctuations with respect to an item of qualifying income under the 75% or 95% gross income test (or any property which generates such income and gain). To the extent that we do not properly identify such transactions as hedges or we hedge with other types of financial instruments, or hedge other types of indebtedness, the income from those transactions is not likely to be treated as qualifying income for purposes of the gross income tests. We intend to structure any hedging transactions in a manner that does not jeopardize our status as a REIT.

We have made investments in certain entities located outside the United States, and from time to time we may acquire additional properties outside of the United States, through a taxable REIT subsidiary or otherwise. These acquisitions could cause us to incur foreign currency gains or losses. Prior to July 30, 2008, the characterization of any such foreign currency gains for purposes of the REIT gross income tests was unclear, although the IRS had indicated that REITs may apply the principles of proposed Treasury Regulations to determine whether such foreign currency gain constitutes qualifying income under the REIT income tests. As a result, we anticipated that any foreign currency gain we recognized relating to rents we receive from any property located outside of the United States were qualifying income for purposes of the 75% and 95% gross income tests. Any foreign currency gains recognized after July 30, 2008 to the extent attributable to specified items of qualifying income or gain, or specified qualifying assets, however, generally will not constitute gross income for purposes of the 75% and 95% gross income tests, and will be exempt from these tests.

Our taxable REIT subsidiaries may provide certain services in exchange for a fee or derive other income that would not qualify under the REIT gross income tests. Such fees and other income do not accrue to us,

but, to the extent our taxable REIT subsidiaries pay dividends, we generally will derive our allocable share of such dividend income through our interest in the Operating Partnership. Such dividend income qualifies under the 95%, but not the 75%, REIT gross income test. The Operating Partnership may provide certain management or administrative services to our taxable REIT subsidiaries. In addition, AMB Capital Partners, LLC conducts an asset management business and receives fees, which may include incentive fees, in exchange for the provision of certain services to asset management clients. The fees we and AMB Capital Partners, LLC derive as a result of the provision of such services will be non-qualifying income to us under both the 95% and 75% REIT income tests. The amount of such dividend and fee income will depend on a number of factors that cannot be determined with certainty, including the level of services provided by AMB Capital Partners, LLC, our taxable REIT subsidiaries and the Operating Partnership. We will monitor the amount of the dividend income from our taxable REIT subsidiaries and the fee income described above, and will take actions intended to keep this income, and any other non-qualifying income, within the limitations of the REIT income tests. However, there can be no guarantee that such actions will in all cases prevent us from violating a REIT income test.

We believe that the aggregate amount of our nonqualifying income, from all sources, in any taxable year will not exceed the limit on nonqualifying income under the gross income tests. If we fail to satisfy one or both of the 75% or 95% gross income tests for any taxable year, we may nevertheless qualify as a REIT for the year if we are entitled to relief under certain provisions of the Internal Revenue Code. We generally may make use of the relief provisions if:

- following our identification of the failure to meet the 75% or 95% gross income tests for any taxable year, we file a schedule with the IRS setting forth each item of our gross income for purposes of the 75% or 95% gross income tests for such taxable year in accordance with Treasury regulations to be issued; and
- our failure to meet these tests was due to reasonable cause and not due to willful neglect.

It is not possible, however, to state whether in all circumstances we would be entitled to the benefit of these relief provisions. For example, if we fail to satisfy the gross income tests because non-qualifying income that we intentionally accrue or receive exceeds the limits on non-qualifying income, the Internal Revenue Service could conclude that our failure to satisfy the tests was not due to reasonable cause. If these relief provisions do not apply to a particular set of circumstances, we will not qualify as a REIT. As discussed above in "— Our Qualification as a REIT — General", even if these relief provisions apply, and we retain our status as a REIT, a tax would be imposed with respect to our non-qualifying income. We may not always be able to comply with the gross income tests for REIT qualification despite periodic monitoring of our income.

Prohibited Transaction Income. Any gain we recognize (including any net foreign currency gain recognized after July 30, 2008) on the sale of property (other than foreclosure property) held as inventory or other property held primarily for sale to customers in the ordinary course of business, including our share of any such gain realized by our qualified REIT subsidiaries, partnerships or limited liability companies, will be treated as income from a prohibited transaction that is subject to a 100% penalty tax. Such prohibited transaction income could also adversely affect our ability to satisfy the income tests for qualification as a REIT. Under existing law, whether property is held as inventory or primarily for sale to customers in the ordinary course of a trade or business is a question of fact that depends on all the facts and circumstances surrounding the particular transaction. We intend to hold our properties for investment with a view to long-term appreciation, to engage in the business of acquiring, developing and owning our properties and to make occasional sales of the properties as are consistent with our investment objectives. We do not believe that any of our sales were prohibited transactions. However, the Internal Revenue Service may contend that one or more of these sales is subject to the 100% penalty tax.

Redetermined Rents, Redetermined Deductions, and Excess Interest. Any redetermined rents, redetermined deductions or excess interest we generate will be subject to a 100% penalty tax. In general, redetermined rents are rents from real property that are overstated as a result of services furnished by one of our taxable REIT subsidiaries to any of our tenants, and redetermined deductions and excess interest represent amounts that are deducted by a taxable REIT subsidiary for amounts paid to us that are in excess of the

amounts that would have been deducted based on arm's length agreements. Rents we receive will not constitute redetermined rents if they qualify under the safe harbor provisions contained in the Internal Revenue Code.

We intend to deal with our taxable REIT subsidiaries on a commercially reasonable arm's length basis, but we may not always satisfy the safe harbor provisions described above. These determinations are inherently factual, and the Internal Revenue Service has broad discretion to assert that amounts paid between related parties should be reallocated to clearly reflect their respective incomes. If the Internal Revenue Service successfully made such an assertion, we would be required to pay a 100% penalty tax on the excess of an arm's length fee for tenant services over the amount actually paid.

Asset Tests. At the close of each quarter of our taxable year, we must also satisfy four tests relating to the nature and diversification of our assets. First, at least 75% of the value of our total assets, including assets held by our qualified REIT subsidiaries and our allocable share of the assets held by the partnerships and limited liability companies in which we own an interest, must be represented by real estate assets, cash, cash items and government securities. For purposes of this test, the term "real estate assets" generally means real property (including interests in real property and interests in mortgages on real property) and shares (or transferable certificates of beneficial interest) in other REITs, as well as any stock or debt instrument attributable to the investment of the proceeds of a stock offering or a public offering of debt with a term of at least five years, but only for the one-year period beginning on the date we receive such proceeds.

Second, not more than 25% of the value of our total assets may be represented by securities, other than those securities included in the 75% asset test.

Third, of the investments included in the 25% asset class, and except for investments in other REITs, our qualified REIT subsidiaries and our taxable REIT subsidiaries, the value of any one issuer's securities may not exceed 5% of the value of our total assets, and we may not own more than 10% of the total vote or value of the outstanding securities of any one issuer except, in the case of the 10% value test, securities satisfying the "straight debt" safe-harbor. Certain types of securities are disregarded as securities solely for purposes of the 10% value test, including, but not limited to, any loan to an individual or an estate, any obligation to pay rents from real property and any security issued by a REIT. In addition, solely for purposes of the 10% value test, the determination of our interest in the assets of a partnership or limited liability company in which we own an interest will be based on our proportionate interest in any securities issued by the partnership or limited liability company, excluding for this purpose certain securities described in the Internal Revenue Code.

Fourth, not more than 25% (20% for taxable years beginning prior to January 1, 2009) of the value of our total assets may be represented by the securities of one or more taxable REIT subsidiaries.

Through the Operating Partnership, we own an interest in several corporations which have jointly elected with us to be treated as taxable REIT subsidiaries. Some of these corporations own the stock of other corporations, which have also become our taxable REIT subsidiaries. So long as each of these corporations qualifies as a taxable REIT subsidiary, we will not be subject to the 5% asset test, the 10% voting securities limitation or the 10% value limitation with respect to our ownership of their securities. We may acquire securities in other taxable REIT subsidiaries in the future. We believe that the aggregate value of our taxable REIT subsidiaries has not exceeded and will not exceed 25% (or 20% for taxable years beginning prior to January 1, 2009) of the aggregate value of our gross assets. Prior to the election to treat these corporations as taxable REIT subsidiaries, we did not own more than 10% of the voting securities of these corporations. In addition, we believe that prior to the election to treat these corporations as our taxable REIT subsidiaries, the value of the pro rata share of the securities of these corporations held by us did not, in any case, exceed 5% of the total value of our assets. With respect to each issuer in which we currently own securities, that does not qualify as a REIT, a qualified REIT subsidiary or a taxable REIT subsidiary, we believe that the value of the securities of each issuer does not exceed 5% of the total value of our assets and our ownership of the securities of each issuer complies with the 10% voting securities limitation and 10% value limitation. No independent appraisals have been obtained to support these conclusions, and there can be no assurance that the Internal Revenue Service will agree with our determinations of value.

The asset tests must be satisfied at the close of each quarter of our taxable year in which we (directly or through our qualified REIT subsidiaries, partnerships or limited liability companies) acquire securities in the applicable issuer, and also at the close of each quarter of our taxable year in which we increase our ownership of securities of such issuer, including as a result of increasing our interest in the Operating Partnership or other partnerships and limited liability companies which own such securities, or acquire other assets. For example, our indirect ownership of securities of each issuer will increase as a result of our capital contributions to the Operating Partnership or as limited partners exercise their redemption/exchange rights. After initially meeting the asset tests at the close of any quarter, we will not lose our status as a REIT for failure to satisfy the asset tests at the end of a later quarter solely by reason of changes in asset values (including, for taxable years beginning on or after January 1, 2009, a change caused by changes in the foreign currency exchange rate used to value foreign assets). If we fail to satisfy an asset test because we acquire securities or other property during a quarter, we may cure this failure by disposing of sufficient non-qualifying assets within 30 days after the close of that quarter. For this purpose, an increase in our interests in the Operating Partnership or any other partnership or limited liability company in which we directly or indirectly own an interest will be treated as an acquisition of a portion of the securities or other property owned by that partnership or limited liability company.

Certain relief provisions may be available to us if we discover a failure to satisfy the asset tests described above after the 30 day cure period. Under these provisions, we will be deemed to have met the 5% and 10% asset tests if the value of our nonqualifying assets (1) does not exceed the lesser of (a) 1% of the total value of our assets at the end of the applicable quarter or (b) $10,000,000, and (2) we dispose of the nonqualifying assets or otherwise satisfy such tests within (a) six months after the last day of the quarter in which the failure to satisfy the asset tests is discovered or (b) the period of time prescribed by Treasury regulations to be issued. For violations of any of the asset tests due to reasonable cause and not due to willful neglect and that are, in the case of the 5% and 10% asset tests, in excess of the de minimis exception described above, we may avoid disqualification as a REIT after the 30 day cure period by taking steps including (1) the disposition of sufficient nonqualifying assets, or the taking of other actions, which allow us to meet the asset tests within (a) six months after the last day of the quarter in which the failure to satisfy the asset tests is discovered or (b) the period of time prescribed by Treasury regulations to be issued, (2) paying a tax equal to the greater of (a) $50,000 or (b) the highest corporate tax rate multiplied by the net income generated by the nonqualifying assets, and (3) disclosing certain information to the IRS.

Although we believe that we have satisfied the asset tests and plan to take steps to ensure that we satisfy such tests for any quarter with respect to which retesting is to occur, there can be no assurance that our efforts will always be successful, or will not require a reduction in the Operating Partnership's overall interest in an issuer. If we fail to cure any noncompliance with the asset tests in a timely manner, and the relief provisions described above are not available, we would cease to qualify as a REIT. See "— Failure to Qualify" below.

Annual Distribution Requirements. To maintain our qualification as a REIT, we are required to distribute dividends, other than capital gain dividends, to our stockholders in an amount at least equal to the sum of:

- 90% of our "REIT taxable income", and
- 90% of our after tax net income, if any, from foreclosure property; minus
- the excess of the sum of certain items of our non-cash income over 5% of "REIT taxable income" as described below.

Our "REIT taxable income" is computed without regard to the dividends paid deduction and our net capital gain. In addition, for purposes of this test, non-cash income means income attributable to leveled stepped rents, original issue discount on purchase money debt, cancellation of indebtedness or a like-kind exchange that is later determined to be taxable.

In addition, if we dispose of any asset we acquired from a corporation which is or has been a C corporation in a transaction in which our basis in the asset is determined by reference to the basis of the asset in the hands of that C corporation, within the ten-year period (five-year period for gains recognized in 2011) following our acquisition of such asset, we would be required to distribute at least 90% of the after-tax

gain, if any, we recognized on the disposition of the asset, to the extent that gain does not exceed the excess of (a) the fair market value of the asset on the date we acquired the asset over (b) our adjusted basis in the asset on the date we acquired the asset.

We generally must pay the distributions described above in the taxable year to which they relate, or in the following taxable year if they are declared during the last three months of the taxable year, payable to stockholders of record on a specified date during such period and paid during January of the following year. Such distributions are treated as paid by us and received by our stockholders on December 31 of the year in which they are declared. In addition, at our election, a distribution will be treated as paid in a taxable year if it is declared before we timely file our tax return for that year and paid on or before the first regular dividend payment after such declaration, provided such payment is made during the twelve month period following the close of that year. Except as provided below, these distributions are taxable to our stockholders, other than tax-exempt entities, as discussed below, in the year in which paid. This is so even though these distributions relate to the prior year for purposes of our 90% distribution requirement. The amount distributed must not be preferential. To avoid being preferential, every stockholder of the class of stock to which a distribution is made must be treated the same as every other stockholder of that class, and no class of stock may be treated other than according to its dividend rights as a class. To the extent that we do not distribute all of our net capital gain or distribute at least 90%, but less than 100%, of our "REIT taxable income", as adjusted, we will be required to pay tax on the undistributed amount at regular ordinary and capital gain corporate tax rates. We believe we have made and intend to continue to make timely distributions sufficient to satisfy these annual distribution requirements. In this regard, the Operating Partnership agreement authorizes us, as general partner, to take such steps as may be necessary to cause the Operating Partnership to distribute to its partners an amount sufficient to permit us to meet these distribution requirements.

We expect that our "REIT taxable income" will be less than our cash flow because of depreciation and other non-cash charges included in computing our "REIT taxable income". Accordingly, we anticipate that we will generally have sufficient cash or liquid assets to enable us to satisfy the distribution requirements described above. However, from time to time, we may not have sufficient cash or other liquid assets to meet these distribution requirements due to timing differences between the actual receipt of income and actual payment of deductible expenses, and the inclusion of income and deduction of expenses in determining our taxable income. If these timing differences occur, we may be required to borrow funds to pay dividends or pay dividends in the form of taxable stock dividends in order to meet the distribution requirements.

Recent guidance issued by the Internal Revenue Service extends and clarifies earlier guidance regarding certain part-stock and part-cash dividends by REITs. Pursuant to this new guidance, certain part-stock and part-cash dividends distributed by publicly-traded REITs with respect to calendar years 2008 through 2011, and in some cases declared as late as December 31, 2012, will be treated as distributions for purposes of the REIT distribution requirements. Under the terms of this guidance, up to 90% of our distributions could be paid in our shares of common stock. If we make such a distribution, taxable stockholders would be required to include the full amount of the dividend (i.e., the cash and the stock portion) as ordinary income (subject to limited exceptions), to the extent of our current and accumulated earnings and profits for U.S. federal income tax purposes, as described below under the headings "Taxation of Our Stockholders — Taxable United States Stockholders— Distributions Generally" and "Taxation of Our Stockholders — Non- United States Stockholders — Distributions Generally". As a result, our stockholders could recognize taxable income in excess of the cash received and may be required to pay tax with respect to such dividends in excess of the cash received. If a taxable stockholder sells the stock it receives as a dividend, the sales proceeds may be less than the amount included in income with respect to the dividend, depending on the market price of the stock at the time of the sale. Furthermore, with respect to non-U.S. holders, we may be required to withhold U.S. tax with respect to such dividends, including in respect of all or a portion of such dividend that is payable in stock.

Under some circumstances, we may be able to rectify an inadvertent failure to meet the 90% distribution requirement for a year by paying "deficiency dividends" to our stockholders in a later year, which we may include in our deduction for dividends paid for the earlier year. Thus, we may be able to avoid being taxed on amounts distributed as deficiency dividends. However, we will be required to pay interest to the Internal Revenue Service based upon the amount of any deduction taken for deficiency dividends.

Furthermore, we will be required to pay a 4% excise tax to the extent we fail to distribute during each calendar year (or in the case of distributions with declaration and record dates falling in the last three months of the calendar year, by the end of January immediately following such year) at least the sum of 85% of our REIT ordinary income for such year, 95% of our REIT capital gain income for the year and any undistributed taxable income from prior periods. Any REIT taxable income and net capital gain on which this excise tax is imposed for any year is treated as an amount distributed during that year for purposes of calculating the tax in subsequent years.

Like-Kind Exchanges. We have in the past disposed of properties in transactions intended to qualify as like-kind exchanges under the Internal Revenue Code, and may continue this practice in the future. Such like-kind exchanges are intended to result in the deferral of gain for federal income tax purposes. The failure of any such transaction to qualify as a like-kind exchange could subject us to federal income tax, possibly including the 100% prohibited transaction tax, depending on the facts and circumstances surrounding the particular transaction.

Earnings and Profits Distribution Requirement. A REIT is not permitted to have accumulated earnings and profits attributable to non-REIT years. A REIT has until the close of its first taxable year in which it has non-REIT earnings and profits to distribute all such earnings and profits. Our failure to comply with this rule would require that we pay a “deficiency dividend” to our stockholders, and interest to the Internal Revenue Service, to distribute any remaining earnings and profits. A failure to make this deficiency dividend distribution would result in the loss of our REIT status. See “— Failure to Qualify”.

Failure to Qualify

Specified cure provisions will be available to us in the event that we violate a provision of the Internal Revenue Code that would result in our failure to qualify as a REIT. Except with respect to violations of the REIT income tests and asset tests (for which the cure provisions are described above), and provided the violation is due to reasonable cause and not due to willful neglect, these cure provisions generally impose a $50,000 penalty for each violation in lieu of a loss of REIT status.

If we fail to qualify for taxation as a REIT in any taxable year, and the relief provisions of the Internal Revenue Code do not apply, we will be required to pay tax, including any applicable alternative minimum tax, on our taxable income at regular corporate rates. Distributions to stockholders in any year in which we fail to qualify as a REIT will not be deductible by us and we will not be required to distribute any amounts to our stockholders. As a result, we anticipate that our failure to qualify as a REIT would reduce the cash available for distribution by us to our stockholders. In addition, if we fail to qualify as a REIT, all distributions to stockholders will be taxable as ordinary corporate dividends to the extent of our current and accumulated earnings and profits. In this event, subject to certain limitations of the Internal Revenue Code, corporate distributees may be eligible for the dividends-received deduction. Unless entitled to relief under specific statutory provisions, we will also be disqualified from taxation as a REIT for the four taxable years following the year during which we lost our qualification. It is not possible to state whether in all circumstances we would be entitled to this statutory relief.

Tax Aspects of the Operating Partnership, the Subsidiary Partnerships and the Limited Liability Companies

General. Substantially all of our investments are held indirectly through the Operating Partnership and subsidiary partnerships and limited liability companies. In general, partnerships and limited liability companies that are classified as partnerships for federal income tax purposes are “pass-through” entities which are not required to pay federal income tax. Rather, partners or members of such entities are allocated their proportionate shares of the items of income, gain, loss, deduction and credit of the entity, and are potentially required to pay tax on this income, without regard to whether they receive a distribution from the entity. We will include in our income our proportionate share of these partnership and limited liability company items for purposes of the various REIT income tests and in the computation of our REIT taxable income. Moreover, for purposes of the REIT asset tests and subject to special rules relating to the 10% asset test described above, we will include our proportionate share of assets held by the Operating Partnership and our subsidiary partnerships and limited liability companies.

Entity Classification. Our ownership of an interest in the Operating Partnership involves special tax considerations, including the possibility that the Internal Revenue Service might challenge the status of the Operating Partnership or one or more of the subsidiary partnerships or limited liability companies as partnerships, as opposed to associations taxable as corporations for federal income tax purposes. If the Operating Partnership or one or more of the subsidiary partnerships or limited liability companies were treated as an association, they would be taxable as a corporation and therefore be required to pay an entity-level income tax. In this situation, the character of our assets and items of gross income would change and could prevent us from satisfying the asset tests and possibly the income tests. This, in turn, could prevent us from qualifying as a REIT. In addition, a change in the tax status of the Operating Partnership or one or more of the subsidiary partnerships or limited liability companies might be treated as a taxable event, in which case, we might incur a tax liability without any related cash distributions.

Treasury regulations that apply for tax periods beginning on or after January 1, 1997, provide that a domestic business entity not otherwise organized as a corporation and which has at least two members may elect to be treated as a partnership for federal income tax purposes. Unless it elects otherwise, an eligible entity in existence prior to January 1, 1997, will have the same classification for federal income tax purposes that it claimed under the entity classification Treasury regulations in effect prior to this date. In addition, an eligible entity which did not exist, or did not claim a classification, prior to January 1, 1997, will be classified as a partnership (or disregarded entity) for federal income tax purposes unless it elects otherwise. We believe that the Operating Partnership and the subsidiary partnerships and limited liability companies will be classified as partnerships (or disregarded entities) for federal income tax purposes.

Allocations of Income, Gain, Loss and Deduction. The net proceeds from our issuance of any preferred stock will be contributed to the Operating Partnership in exchange for its preferred limited partnership units. In addition, to the extent we issue preferred stock in exchange for preferred limited partnership units of AMB Property II, L.P., we will contribute substantially all of such units to the Operating Partnership in exchange for additional preferred limited partnership units in the Operating Partnership. In each case, the Operating Partnership's partnership agreement will provide for preferred distributions of cash and preferred allocations of income to us with respect to these newly issued preferred units. As a consequence, we will receive distributions from the Operating Partnership that we will use to pay dividends on substantially all of the shares of preferred stock that we issue before any of the other partners in the Operating Partnership (other than a holder of preferred units, if such units are not then held by us) receive a distribution.

In addition, if necessary, income will be specially allocated to us, and losses will be allocated to the other partners of the Operating Partnership, in amounts necessary to ensure that the balance in our capital account will at all times be equal to or in excess of the amount we are required to pay on the preferred stock then issued by us upon liquidation or redemption. Similar preferred distributions and allocations will be made for the benefit of other holders of preferred limited partnership units in the Operating Partnership. Except as provided below, all remaining items of operating income and loss will be allocated to the holders of common units in the Operating Partnership in proportion to the number of units or performance units held by each such unitholder. All remaining items of gain or loss relating to the disposition of the Operating Partnership's assets upon liquidation will be allocated first to the partners in the amounts necessary, in general, to equalize our and the limited partners' per unit capital accounts, with any special allocation of gain to the holders of performance units being offset by a reduction in the gain allocation to us and to unitholders that were performance investors.

Certain limited partners have agreed to guarantee debt of our Operating Partnership, either directly or indirectly under limited circumstances. As a result of these guarantees, and notwithstanding the foregoing discussion of allocations of income and loss of our Operating Partnership to holders of units, such limited partners could under limited circumstances be allocated a disproportionate amount of gain or loss upon a liquidation of our Operating Partnership.

If an allocation of income of a partnership or limited liability company does not comply with the requirements of Section 704(b) of the Internal Revenue Code and the Treasury regulations thereunder, the item subject to the allocation will be reallocated according to the partners' or members' interests in the partnership

or limited liability company. This reallocation will be determined by taking into account all of the facts and circumstances relating to the economic arrangement of the partners or members with respect to such item. Our Operating Partnership's allocations of taxable income and loss are intended to comply with the requirements of Section 704(b) of the Internal Revenue Code and the Treasury regulations thereunder.

Tax Allocations With Respect to the Properties. Under Section 704(c) of the Internal Revenue Code, income, gain, loss and deduction attributable to appreciated or depreciated property that is contributed to a partnership or limited liability company in exchange for an interest in the partnership or limited liability company must be allocated in a manner so that the contributing partner or member is charged with the unrealized gain or benefits from the unrealized loss associated with the property at the time of the contribution. The amount of the unrealized gain or unrealized loss is generally equal to the difference between the fair market value and the adjusted tax basis of the contributed property at the time of contribution as adjusted from time to time. These allocations are solely for federal income tax purposes, and do not affect the book capital accounts or other economic or legal arrangements among the partners or members. The Operating Partnership was formed by way of contributions of appreciated property, i.e., property having an adjusted tax basis less than its fair market value at the time of contribution. Moreover, subsequent to the formation of the Operating Partnership, additional appreciated property has been contributed to it in exchange for Operating Partnership interests. The Operating Partnership agreement requires that these allocations be made in a manner consistent with Section 704(c) of the Internal Revenue Code.

Treasury regulations issued under Section 704(c) of the Internal Revenue Code provide partnerships and limited liability companies with a choice of several methods of accounting for book-tax differences. We and our Operating Partnership have agreed to use the "traditional method" to account for book-tax differences for the properties initially contributed to the Operating Partnership and for some assets acquired subsequently. Under the "traditional method", which is the least favorable method from our perspective, the carryover basis of contributed interests in the properties in the hands of our Operating Partnership (i) could cause us to be allocated lower amounts of depreciation deductions for tax purposes than would be allocated to us if all contributed properties were to have a tax basis equal to their fair market value at the time of the contribution and (ii) could cause us to be allocated taxable gain in the event of a sale of such contributed interests or properties in excess of the economic or book income allocated to us as a result of such sale, with a corresponding benefit to the other partners in our Operating Partnership. An allocation described in (ii) above might cause us or the other partners to recognize taxable income in excess of cash proceeds in the event of a sale or other disposition of property, which might adversely affect our ability to comply with the REIT distribution requirements. See "— Our Qualification as a REIT". To the extent our depreciation is reduced, or our gain on sale is increased, stockholders may recognize additional dividend income without an increase in distributions. We and our Operating Partnership have not yet decided what method will be used to account for book-tax differences for properties to be acquired by the Operating Partnership in the future.

Any property acquired by the Operating Partnership in a taxable transaction will initially have a tax basis equal to its fair market value, and Section 704(c) of the Internal Revenue Code will not apply.

Taxation of Our Stockholders

The following summary describes certain of the United States federal income tax consequences of owning and disposing of our capital stock. This summary assumes that you hold our stock as a "capital asset" within the meaning of the Internal Revenue Code (generally, property held for investment).

This summary does not deal with all aspects of federal income taxation that may affect particular holders of capital stock in light of their individual circumstances, or with holders subject to special treatment under the federal income tax laws, including:

- insurance companies;
- tax-exempt organizations;
- financial institutions or broker-dealers;

- traders in securities that elect to mark to market;
- holders owning our capital stock as part of a "straddle", "hedge", "conversion" or other risk reduction transaction;
- holders whose functional currency is not the United States dollar;
- holders subject to the alternative minimum tax;
- persons deemed to sell our capital stock under the constructive sale provisions of the Internal Revenue Code;
- "S" corporations;
- partnerships and persons holding our capital stock through an entity treated as a partnership for federal income tax purposes;
- expatriates;
- REITs or regulated investment companies;
- holders who acquire our capital stock as compensation; and
- except as specifically provided below, non-U.S. stockholders (as defined below).

Taxable United States Stockholders

If you are a "United States stockholder", as defined below, this section applies to you. Otherwise, the next section, "Non-United States Stockholders", applies to you.

Definition of a United States Stockholder. A "United States stockholder" is a beneficial holder of capital stock who is, for United States federal income tax purposes:

- a citizen or resident of the United States;
- a corporation, partnership or other entity created or organized in or under the laws of the United States or of any state or in the District of Columbia, unless, in the case of a partnership, Treasury Regulations provide otherwise;
- an estate which is required to pay United States federal income tax regardless of the source of its income; or
- a trust if a United States court can exercise primary supervision over the administration of such trust and one or more United States persons have authority to control all substantial decisions of such trust, or if such trust has a valid election in place to be treated as a United States person.

Distributions Generally. Distributions out of our current or accumulated earnings and profits, other than capital gain dividends discussed below, will constitute dividends generally taxable to our taxable United States stockholders as ordinary income. As long as we qualify as a REIT, these distributions will not be eligible for the dividends-received deduction in the case of United States stockholders that are corporations. For purposes of determining whether distributions to holders of our stock are out of current or accumulated earnings and profits, our earnings and profits will be allocated first to distributions on our outstanding preferred stock and then to distributions on our outstanding common stock.

To the extent that we make distributions in excess of our current and accumulated earnings and profits, these distributions will be treated first as a tax-free return of capital to each United States stockholder. This treatment will reduce the adjusted tax basis which each United States stockholder has in its shares of our stock by the amount of the distribution, but not below zero. Distributions in excess of our current and accumulated earnings and profits and in excess of a United States stockholder's adjusted tax basis in its shares will be taxable as capital gain, provided that the shares have been held as capital assets. Such gain will be taxable as long-term capital gain if the shares have been held for more than one year. Dividends we declare in October, November, or December of any year and payable to a stockholder of record on a specified date in any of these

months will be treated as both paid by us and received by the stockholder on December 31 of that year, provided we actually pay the dividend on or before January 31 of the following year. Stockholders may not include in their own income or on their tax returns any of our net operating losses or capital losses.

In addition, certain dividends partially paid in our stock and partially paid in cash will be taxable to the recipient United States stockholder to the same extent as if entirely paid in cash. See Requirements for Qualification as a REIT — Annual Distribution Requirements" above.

Capital Gain Distributions. Distributions that we properly designate as capital gain dividends will be taxable to our taxable United States stockholders as gain from the sale or disposition of a capital asset, to the extent that such gain does not exceed our actual net capital gain for the taxable year. If we properly designate any portion of a dividend as a capital gain dividend, then we intend to allocate a portion of the total capital gain dividends paid or made available to holders of all classes of our stock for the year to the holders of our stock in proportion to the amount that our total dividends, as determined for federal income tax purposes, paid or made available to the holders of our stock for the year bears to the total dividends, as determined for federal income tax purposes, paid or made available to holders of all classes of our stock for the year.

Retention of Net Long-Term Capital Gains. We may elect to retain, rather than distribute as a capital gain dividend, our net long-term capital gains. If we make this election, we would pay tax on our retained net long-term capital gains. In addition, to the extent we designate, a United States stockholder generally would:

- include its proportionate share of our undistributed long-term capital gains in computing its long-term capital gains in its return for its taxable year in which the last day of our taxable year falls;
- be deemed to have paid the capital gains tax imposed on us on the designated amounts included in the United States stockholder's long-term capital gains;
- receive a credit or refund for the amount of tax deemed paid by it;
- increase the adjusted basis of its stock by the difference between the amount of includable gains and the tax deemed to have been paid by it; and
- in the case of a United States stockholder that is a corporation, appropriately adjust its earnings and profits for the retained capital gains as required by Treasury regulations to be prescribed by the Internal Revenue Service.

Passive Activity Losses and Investment Interest Limitations. Distributions we make and gain arising from the sale or exchange by a United States stockholder of our shares will not be treated as passive activity income. As a result, United States stockholders generally will not be able to apply any "passive losses" against this income or gain. A United States stockholder may elect to treat capital gain dividends, capital gains from the disposition of stock and qualified dividend income as investment income for purposes of computing the investment interest limitation, but in such case, the stockholder will be taxed at ordinary income rates on such amount. Other distributions made by us, to the extent they do not constitute a return of capital, generally will be treated as investment income for purposes of computing the investment interest limitation.

Dispositions of Our Stock. If a United States stockholder sells or disposes of its shares of our stock to a person other than us, it will recognize gain or loss for federal income tax purposes in an amount equal to the difference between the amount of cash and the fair market value of any property it receives on the sale or other disposition and its adjusted basis in the shares for tax purposes. This gain or loss, except as provided below, will be long-term capital gain or loss if it has held the stock for more than one year. In general, if a United States stockholder recognizes loss upon the sale or other disposition of stock that it has held for six months or less, the loss recognized will be treated as a long-term capital loss to the extent the United States stockholder received distributions from us which were required to be treated as long-term capital gains.

Tax Rates. The maximum tax rate of non-corporate taxpayers for (i) capital gains, including "capital gain dividends", has generally been reduced to 15% (although depending on the characteristics of the assets which produced these gains and on designations which we may make, certain capital gain dividends may be taxed at a 25% rate) and (ii) dividends has generally been reduced to 15%. In general, dividends payable by

REITs are not eligible for the reduced tax rate on dividends, except to the extent the REIT's dividends are attributable either to dividends received from taxable corporations (such as our taxable REIT subsidiaries), to income that was subject to tax at the corporate/REIT level (for example, if we distribute taxable income that we retained and paid tax on in the prior taxable year) or to dividends properly designated by us as "capital gain dividends". After December 31, 2012, absent Congressional action, the maximum tax rate of non-corporate taxpayers on capital gains is scheduled to increase to 20% and the maximum tax rate of non-corporate taxpayers on dividends is scheduled to increase to 39.6%.

A tax of 3.8% generally will be imposed on the "net investment income" of certain individuals, trusts and estates for taxable years beginning after December 31, 2012. Among other items, net investment income generally includes gross income from dividends and net gain attributable to the disposition of certain property, such as our stock, less certain deductions. In the case of individuals, this tax will only apply to the extent such individual's modified adjusted net income exceeds $200,000 ($250,000 for married couples filing a joint return and surviving spouses, and $125,000 for married individuals filing a separate return). Prospective investors should consult their own tax advisors regarding the possible implications of these rules in their particular circumstances.

Information Reporting and Backup Withholding. We report to our United States stockholders and the Internal Revenue Service the amount of dividends paid during each calendar year, and the amount of any tax withheld. A United States stockholder may be subject to backup withholding with respect to dividends paid by us unless the holder is a corporation or is otherwise exempt and, when required, demonstrates this fact or provides a taxpayer identification number, certifies as to no loss of exemption from backup withholding, and otherwise complies with the backup withholding rules. A United States stockholder that does not provide us with its correct taxpayer identification number may also be subject to penalties imposed by the Internal Revenue Service. Backup withholding is not an additional tax. Any amount paid as backup withholding will be creditable against the stockholder's income tax liability. In addition, we may be required to withhold a portion of distributions to any stockholders who fail to certify their non-foreign status.

Tax-Exempt Stockholders

Except as described below, dividend income from us and gain arising upon the sale of shares generally will not be unrelated business taxable income to a tax-exempt stockholder. This income or gain will be unrelated business taxable income, however, if the tax-exempt stockholder holds its shares as "debt financed property" within the meaning of the Internal Revenue Code or if the shares are used in a trade or business of the tax-exempt stockholder. Generally, debt financed property is property the acquisition or holding of which was financed through a borrowing by the tax-exempt stockholder.

For tax-exempt stockholders that are social clubs, voluntary employee benefit associations, supplemental unemployment benefit trusts, or qualified group legal services plans exempt from federal income taxation under Sections 501(c)(7), (c)(9), (c)(17) or (c)(20) of the Internal Revenue Code, respectively, income from an investment in our shares will constitute unrelated business taxable income unless the organization is able to properly claim a deduction for amounts set aside or placed in reserve for specific purposes so as to offset the income generated by its investment in our shares. These prospective investors should consult their tax advisors concerning these "set aside" and reserve requirements.

Notwithstanding the above, however, a portion of the dividends paid by a "pension-held REIT" will be treated as unrelated business taxable income as to some trusts that hold more than 10%, by value, of the interests of a REIT. A REIT will not be a "pension held REIT" if it is able to satisfy the "not closely held" requirement without relying on the "look-through" exception with respect to certain trusts. As a result of limitations on the transfer and ownership of stock contained in our charter, we do not expect to be classified as a "pension-held REIT", and as a result, the tax treatment described in this paragraph should be inapplicable to our stockholders. However, because our stock is publicly traded, we cannot guarantee that this will always be the case.

Non-United States Stockholders

The following discussion addresses the rules governing United States federal income taxation of the ownership and disposition of our stock by non-United States stockholders. When we use the term "non-United States stockholders", we mean stockholders who are not United States stockholders, as described above in "— Taxable United States Stockholders — Definition of a United States Stockholder". The rules governing the United States federal income taxation of the ownership and disposition of our stock by non-United States stockholders are complex, and no attempt is made herein to provide more than a brief summary. Accordingly, the discussion does not address all aspects of United States federal income taxation that may be relevant to a non-United States stockholder in light of such stockholder's particular circumstances and does not address any state, local or foreign tax consequences. We urge non-United States stockholders to consult their tax advisors to determine the impact of federal, state, local and foreign income tax laws on the purchase, ownership, and disposition of shares of our stock, including any reporting requirements.

Distributions Generally. Distributions that are neither attributable to gain from our sale or exchange of United States real property interests nor designated by us as capital gain dividends will be treated as dividends of ordinary income to the extent that they are made out of our current or accumulated earnings and profits. Such distributions ordinarily will be subject to withholding of United States federal income tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty unless the distributions are treated as effectively connected with the conduct by the non-United States stockholder of a United States trade or business. Under certain treaties, however, lower withholding rates generally applicable to dividends do not apply to dividends from a REIT. Certain certification and disclosure requirements must be satisfied to be exempt from withholding under the effectively connected income exemption. Dividends that are treated as effectively connected with such a trade or business (and, in the case of an applicable income tax treaty, are attributable to a permanent establishment) will be subject to tax on a net basis at graduated rates, in the same manner as dividends paid to United States stockholders are subject to tax, and are generally not subject to withholding. Any such dividends received by a non-United States stockholder that is a corporation may also be subject to an additional branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty.

Distributions in excess of our current and accumulated earnings and profits will not be taxable to a non-United States stockholder to the extent that such distributions do not exceed the non-United States stockholder's adjusted basis in our stock, but rather will reduce the adjusted basis of such stock. To the extent that these distributions exceed a non-United States stockholder's adjusted basis in our stock, they will give rise to gain from the sale or exchange of such stock. The tax treatment of this gain is described below under "— Sale of Our Stock".

Except as otherwise described below, we expect to withhold United States income tax at the rate of 30% on any distributions made to a non-United States stockholder unless:

- a lower treaty rate applies and the non-United States stockholder files with us an Internal Revenue Service Form W-8BEN evidencing eligibility for that reduced treaty rate; or
- the non-United States stockholder files an Internal Revenue Service Form W-8ECI with us claiming that the distribution is income effectively connected with the non-United States stockholder's trade or business.

However, amounts withheld should generally be refundable if it is subsequently determined that the distribution was, in fact, in excess of our current and accumulated earnings and profits.

Capital Gain Dividends and Distributions Attributable to a Sale or Exchange of United States Real Property Interests. Distributions to a non-United States stockholder that we properly designate as capital gain dividends, other than those arising from the disposition of a United States real property interest, generally should not be subject to United States federal income taxation, unless:

(1) the investment in our stock is treated as effectively connected with the non-United States stockholder's United States trade or business (and, in the case of an applicable income tax treaty, is attributable to a permanent establishment), in which case the non-United States stockholder will be subject to the same treatment as United States stockholders with respect to such gain, except that a

non-United States stockholder that is a foreign corporation may also be subject to the 30% branch profits tax (or such lower rate as may be specified by an applicable income tax treaty), as discussed above; or

(2) the non-United States stockholder is a nonresident alien individual who is present in the United States for 183 days or more during the taxable year and certain other conditions are met, in which case the nonresident alien individual will be subject to a 30% tax on the individual's capital gains.

Pursuant to the Foreign Investment in Real Property Tax Act, which we refer to as "FIRPTA", distributions to a non-United States stockholder that are attributable to gain from our sale or exchange of United States real property interests (whether or not designated as capital gain dividends) will cause the non-United States stockholder to be treated as recognizing such gain as income effectively connected with a United States trade or business. Non-United States stockholders would generally be taxed at the same rates applicable to United States stockholders, subject to a special alternative minimum tax in the case of nonresident alien individuals. We also will be required to withhold and to remit to the Internal Revenue Service 35% (or less to the extent provided in applicable Treasury regulations) of any distribution to a non-United States stockholder that is designated as a capital gain dividend, or, if greater, 35% (or less to the extent provided in applicable Treasury regulations) of a distribution to the non-United States stockholder that could have been designated as a capital gain dividend. The amount withheld is creditable against the non-United States stockholder's United States federal income tax liability. However, any distribution with respect to any class of stock which is regularly traded on an established securities market located in the United States is not subject to FIRPTA, and therefore, not subject to the 35% U.S. withholding tax described above, if the non-United States stockholder did not own more than 5% of such class of stock at any time during the one-year period ending on the date of the distribution. Instead, such distributions will be treated as ordinary dividend distributions.

Retention of Net Capital Gains. Although the law is not clear on the matter, it appears that amounts we designate as retained capital gains in respect of the capital stock held by United States stockholders generally should be treated with respect to non-United States stockholders in the same manner as actual distributions by us of capital gain dividends. Under this approach, a non-United States stockholder would be able to offset as a credit against its United States federal income tax liability resulting from its proportionate share of the tax paid by us on such retained capital gains, and to receive from the Internal Revenue Service a refund to the extent of the non-United States stockholder's proportionate share of such tax paid by us exceeds its actual United States federal income tax liability.

Sale of Our Stock. Gain recognized by a non-United States stockholder upon the sale or exchange of our stock generally will not be subject to United States taxation unless such stock constitutes a "United States real property interest" within the meaning of FIRPTA. Our stock will not constitute a "United States real property interest" so long as we are a "domestically-controlled qualified investment entity". A "domestically-controlled qualified investment entity" includes a REIT in which at all times during a specified testing period less than 50% in value of its stock is held directly or indirectly by non-United States stockholders. We believe, but cannot guarantee, that we have been a "domestically-controlled qualified investment entity", but because our capital stock is publicly traded, no assurance can be given that we are or will continue to be a "domestically-controlled qualified investment entity".

Notwithstanding the foregoing, gain from the sale or exchange of our stock not otherwise subject to FIRPTA will be taxable to a non-United States stockholder if either (1) the investment in our stock is treated as effectively connected with the non-United States stockholder's United States trade or business (and, in the case of an applicable income tax treaty, is attributable to a permanent establishment) or (2) the non-United States stockholder is a nonresident alien individual who is present in the United States for 183 days or more during the taxable year and certain other conditions are met. In addition, even if we are a domestically-controlled qualified investment entity, upon disposition of our stock (subject to the 5% exception applicable to "regularly traded" stock described above), a non-United States stockholder may be treated as having gain from the sale or exchange of United States real property interest if the non-United States stockholder (1) disposes of our stock within a 30-day period preceding the ex-dividend date of a distribution, any portion of which, but for the disposition, would have been treated as gain from the sale or exchange of a United States real property interest and (2) acquires, or enters into a contract or option to acquire, other shares of our stock within 30 days after such ex-dividend date.

Even if we do not qualify as a "domestically-controlled qualified investment entity" at the time a non-United States stockholder sells or exchanges our stock, gain arising from such a sale or exchange would not be subject to United States taxation under FIRPTA as a sale of a "United States real property interest" if:

(1) our stock is "regularly traded", as defined by applicable Treasury regulations, on an established securities market such as the NYSE; and

(2) such non-United States stockholder owned, actually and constructively, 5% or less of our stock throughout the five-year period ending on the date of the sale or exchange.

If gain on the sale or exchange of our stock were subject to taxation under FIRPTA, the non-United States stockholder would be subject to regular United States federal income tax with respect to such gain in the same manner as a taxable United States stockholder (subject to any applicable alternative minimum tax and a special alternative minimum tax in the case of nonresident alien individuals). In addition, if the sale or exchange of our stock were subject to taxation under FIRPTA, and if shares of our stock were not "regularly traded" on an established securities market, the purchaser of the stock would be required to withhold and remit to the Internal Revenue Service 10% of the purchase price.

Information Reporting and Backup Withholding. Generally, we must report annually to the Internal Revenue Service the amount of dividends paid to a non-United States stockholder, such holder's name and address, and the amount of tax withheld, if any. A similar report is sent to the non-United States stockholder. Pursuant to tax treaties or other agreements, the Internal Revenue Service may make its reports available to tax authorities in the non-United States stockholder's country of residence.

Payments of dividends or of proceeds from the disposition of stock made to a non-United States stockholder may be subject to information reporting and backup withholding unless such holder establishes an exemption, for example, by properly certifying its non-United States status on an Internal Revenue Service Form W-8BEN or another appropriate version of Internal Revenue Service Form W-8. Notwithstanding the foregoing, backup withholding and information reporting may apply if either we have or our paying agent has actual knowledge, or reason to know, that a non-United States stockholder is a United States person.

Backup withholding is not an additional tax. Rather, the United States income tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund or credit may be obtained, provided that the required information is furnished to the Internal Revenue Service.

FATCA Withholding. Effective for payments made after December 31, 2012 (subject to certain Internal Revenue Service guidance suggesting that collection of the withholding of tax may be suspended for payments made prior to January 1, 2014), a withholding tax of 30% will be imposed on certain payments (including dividends on, and gross proceeds from the disposition of, our stock) made to certain foreign financial institutions (including in their capacity as agents or custodians for beneficial owners of our common stock) and to certain other foreign entities unless various information reporting and certain other requirements are satisfied. Stockholders should consult with their own tax advisors regarding the possible implications of these requirements on their ownership of our stock.

Other Tax Consequences

We may be subject to state or local taxation in various state or local jurisdictions, including those in which we transact business, and our stockholders may be required to pay tax in various state or local jurisdictions, including those in which they reside. Our state and local tax treatment may not conform to the federal income tax consequences discussed above. In addition, a stockholder's state and local tax treatment may not conform to the federal income tax consequences discussed above. This discussion does not purport to describe any aspect of the tax laws of any state, local or foreign jurisdiction. Consequently, prospective investors should consult their tax advisors regarding the effect of state, local or foreign tax laws on an investment in our shares.

PLAN OF DISTRIBUTION

We or any selling stockholder may sell the securities offered pursuant to any applicable prospectus supplement, directly to one or more purchasers or though dealers, agents or underwriters, or through a combination of methods. The securities may be sold domestically or abroad. Selling stockholders to be named in a prospectus supplement may offer and sell, from time to time, the common stock and preferred stock up to such amounts as set forth in a prospectus supplement. The common stock and preferred stock offered pursuant to any applicable prospectus supplement may be sold in at-the-market equity offerings or on a negotiated or competitive bid basis through underwriters or dealers or directly to other purchasers or through agents. Direct sales to investors may be accomplished through subscription offerings or through subscription rights distributed to our stockholders. In connection with subscription offerings or the distribution of subscription rights to stockholders, if all of the underlying common stock and preferred stock are not subscribed for, we may sell such unsubscribed common stock and preferred stock to third parties directly or through agents and, in addition, whether or not all of the underlying common stock and preferred stock are subscribed for, we may concurrently offer additional common stock and preferred stock to third parties directly or through agents, which agents may be affiliated with us. We will name any underwriter, dealer or agent involved in the offer and sale of the securities in the applicable prospectus supplement. We reserve the right to sell the securities directly to investors on our own behalf in those jurisdictions where and in such manner as we are authorized to do so.

The securities may be distributed from time to time in one or more transactions:

- at a fixed price or prices, which may be changed;
- at market prices prevailing at the time of sale;
- at prices related to prevailing market prices; or
- at negotiated prices.

We may also, from time to time, authorize underwriters, dealers or other persons, acting as our agents, to offer and sell the securities upon the terms and conditions as are set forth in the applicable prospectus supplement. In connection with the sale of the securities, underwriters may be deemed to have received compensation from us in the form of underwriting discounts or commissions and may also receive commissions from purchasers of the securities for whom they may act as agent. Underwriters may sell the securities to or through dealers, and dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions from the purchasers for whom they may act as agent.

If any agents, dealers or underwriters are involved in the sale of any of the securities, their names, and any applicable purchase price, fee, commission or discount arrangement between or among them will be set forth, or will be calculable from the information set forth, in the applicable prospectus supplement. We will also describe in the applicable prospectus supplement any discounts, concessions or commissions allowed by underwriters to participating dealers. Dealers and agents participating in the distribution of the securities may be deemed to be underwriters, and any discounts and commissions received by them and any profit realized by them on resale of the securities may be deemed to be underwriting discounts and commissions. We may enter into agreements with any underwriters, dealers and agents which may entitle them to indemnification against and contribution toward certain civil liabilities, including liabilities under the Securities Act, and to reimbursement for certain expenses. We will describe any indemnification agreements in the applicable prospectus supplement.

Unless we specify otherwise in the applicable prospectus supplement, any series of securities issued hereunder, except in the case of the common stock, will be a new issue with no established trading market. If we sell any shares of our common stock, such shares will be listed on the New York Stock Exchange, subject to official notice of issuance. In addition to common stock, we may elect to list any series of securities issued hereunder on any exchange, but we are not obligated to do so. It is possible that one or more underwriters or agents may make a market in the securities, but will not be obligated to do so and may discontinue any market making at any time without notice. Therefore, we cannot assure you as to the liquidity of the trading market for the securities.

If indicated in the applicable prospectus supplement, we may authorize underwriters, dealers or other persons acting as our agents to solicit offers by certain institutions or other suitable persons to purchase the

securities from us at the public offering price set forth in the prospectus supplement pursuant to delayed delivery contracts providing for payment and delivery on the date or dates stated in the prospectus supplement. We may make delayed delivery with various institutions, including commercial and savings banks, insurance companies, pension funds, investment companies and educational and charitable institutions. Delayed delivery contracts will be subject to the condition that the purchase of the securities covered by the delayed delivery contracts will not at the time of delivery be prohibited under the laws of any jurisdiction in the United States to which the purchaser is subject. The underwriters and agents will not have any responsibility with respect to the validity or performance of these contracts.

To facilitate an offering of the securities, certain persons participating in the offering may engage in transactions that stabilize, maintain, or otherwise affect the price of the securities. This may include over-allotments or short sales of the securities, which involves the sale by persons participating in the offering of more securities than we sold to them. In these circumstances, these persons would cover the over-allotments or short positions by making purchases in the open market or by exercising their over-allotment option. In addition, these persons may stabilize or maintain the price of the securities by bidding for or purchasing securities in the open market or by imposing penalty bids, whereby selling concessions allowed to dealers participating in the offering may be reclaimed if securities sold by them are repurchased in connection with stabilization transactions. The effect of these transactions may be to stabilize or maintain the market price of the securities at a level above that which might otherwise prevail in the open market. These transactions may be discontinued at any time.

Certain of the underwriters, dealers or agents and their respective associates may be customers of, and/or engage in transactions with and perform services for, us in the ordinary course of business.

LEGAL MATTERS

The validity of the securities will be passed upon for us by Mayer Brown LLP, Chicago, Illinois.

EXPERTS

The financial statements of Prologis, Inc. (formerly AMB Property Corporation) and management’s assessment of the effectiveness of internal control over financial reporting (which is included in Management’s Annual Report on Internal Control over Financial Reporting) incorporated in this prospectus by reference to the Combined Annual Report of Prologis, Inc. and Prologis, L.P. on Form 10-K for the year ended December 31, 2010 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The financial statements of Prologis, L.P. (formerly AMB Property, L.P.) and management’s assessment of the effectiveness of internal control over financial reporting (which is included in Management’s Annual Report on Internal Control over Financial Reporting) incorporated in this prospectus by reference to the Combined Annual Report of Prologis, Inc. and Prologis, L.P. on Form 10-K for the year ended December 31, 2010 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The consolidated financial statements and schedule of the Trust as of December 31, 2010 and 2009, and for each of the years in the three-year period ending December 31, 2010, and management’s assessment of the effectiveness of internal control over financial reporting as of December 31, 2010, have been incorporated by reference herein and into the registration statement, in reliance upon the reports of KPMG LLP, independent registered public accounting firm, incorporated by reference herein, and upon the authority of said firm as experts in accounting and auditing.

With respect to the unaudited interim financial information of Prologis, Inc. for the periods ended June 30, 2011 and 2010, incorporated by reference herein, KPMG LLP, an independent registered public accounting firm, has reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included in the Combined Quarterly Report of Prologis, Inc. and the Operating Partnership on Form 10-Q for the quarter ended June 30, 2011, incorporated by reference herein, states that they did not audit and they do not express an opinion on that interim financial

information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. The accountants are not subject to the liability provisions of Section 11 of the Securities Act of 1933 for their report on the unaudited interim financial information because their report is not a "report" or "part" of the registration statement prepared or certified by the accountants within the meaning of Sections 7 and 11 of the Securities Act of 1933.

With respect to the unaudited interim financial information of the Operating Partnership for the periods ended June 30, 2011 and 2010, incorporated by reference herein, KPMG LLP, an independent registered public accounting firm, has reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included in the Combined Quarterly Report of Prologis, Inc. and the Operating Partnership on Form 10-Q for the quarter ended June 30, 2011, incorporated by reference herein, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. The accountants are not subject to the liability provisions of Section 11 of the Securities Act of 1933 for their report on the unaudited interim financial information because their report is not a "report" or "part" of the registration statement prepared or certified by the accountants within the meaning of Sections 7 and 11 of the Securities Act of 1933.

With respect to the unaudited interim financial information of the Trust for the periods ended March 31, 2011 and 2010, incorporated by reference herein, KPMG LLP, an independent registered public accounting firm, has reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included in the Trust's quarterly report on Form 10-Q for the quarter ended March 31, 2011, incorporated by reference herein, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. The accountants are not subject to the liability provisions of Section 11 of the Securities Act of 1933 for their report on the unaudited interim financial information because their report is not a "report" or "part" of the registration statement prepared or certified by the accountants within the meaning of Sections 7 and 11 of the Securities Act of 1933.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC allows us to "incorporate by reference" the information we file with them which means that we can disclose important information to you by referring you to those documents instead of having to repeat the information in this prospectus. The information incorporated by reference is considered to be part of this prospectus, and later information that we file with the SEC will automatically update and supersede this information. We incorporate by reference the following documents:

- Combined Annual Report of Prologis, Inc. (formerly AMB Property Corporation) and Prologis, L.P. (formerly AMB Property, L.P.) on Form 10-K for the fiscal year ended December 31, 2010, filed on February 18, 2011, as amended by the Annual Report on Form 10-K/A filed on March 10, 2011;
- Annual Report of Prologis (formerly ProLogis) on Form 10-K for the year ended December 31, 2010, filed on February 28, 2011, as amended by the Annual Report on Form 10-K/A filed on March 28, 2011
- Combined Quarterly Report of Prologis, Inc. and Prologis, L.P. on Form 10-Q for the quarters ended June 30, 2011, filed on August 9, 2011, and March 31, 2011, filed on May 10, 2011, as amended by the Quarterly Report on Form 10-Q/A filed on September 8, 2011;
- Quarterly Report of Prologis on Form 10-Q for the quarter ended March 31, 2011, filed on May 10, 2011;
- Combined Current Reports of Prologis, Inc. and Prologis, L.P. on Form 8-K, filed on September 30, 2011, June 9, 2011, June 8, 2011, May 4, 2011, April 20, 2011 (two reports), February 3, 2011, February 1, 2011 and January 31, 2011 (other than documents or portions of those documents not deemed to be filed);
- Current Reports of Prologis, Inc. on Form 8-K, filed on June 28, 2011, June 2, 2011 and May 10, 2011;
- The description of the common stock of Prologis, Inc. contained in the Registration Statement of Prologis, Inc. on Form 8-A filed on October 28, 1997;

- Registration Statement of Prologis, Inc. on Form 8-A filed on June 20, 2003, registering the 6 1/2% Series L Cumulative Redeemable Preferred Stock under the Securities Exchange Act of 1934, as amended;
- Registration Statement of Prologis, Inc. on Form 8-A filed on November 12, 2003, registering the 6 3/4% Series M Cumulative Redeemable Preferred Stock under the Securities Exchange Act of 1934, as amended;
- Registration Statement of Prologis, Inc. on Form 8-A filed on December 12, 2005, registering the 7.00% Series O Cumulative Redeemable Preferred Stock under the Securities Exchange Act of 1934, as amended;
- Registration Statement of Prologis, Inc. on Form 8-A filed on August 24, 2006, registering the 6.85% Series P Cumulative Redeemable Preferred Stock under the Securities Exchange Act of 1934, as amended;
- Registration Statement of Prologis, Inc. on Form 8-A filed on June 2, 2011, as amended by the Registration Statement on Form 8-A/A filed on June 3, 2011, registering the Series R Cumulative Redeemable Preferred Stock and Series S Cumulative Redeemable Preferred Stock under the Securities Exchange Act of 1934, as amended;
- Registration Statement of Prologis, Inc. on Form S-4 filed on March 3, 2011, as amended by the Registration Statements on Form S-4/A filed on April 12, 2011 and April 28, 2011; and
- all documents filed by Prologis, Inc. and Prologis, L.P. with the SEC pursuant to Sections 13(a), 13 (c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, after the date of this prospectus and prior to the termination of the offering (but excluding any documents or portions of documents which are deemed "furnished" and not filed with the SEC).

This prospectus is part of a registration statement on Form S-3 we have filed with the SEC under the Securities Act of 1933, as amended. This prospectus does not contain all of the information in the registration statement. We have omitted certain parts of the registration statement, as permitted by the rules and regulations of the SEC. You may inspect and copy the registration statement, including exhibits, at the SEC's Public Reference Room or on our website at http://www.prologis.com. Information contained on our website is not and should not be deemed a part of this prospectus or any other report or filing filed with the SEC. Our statements in this prospectus about the contents of any contract or other document are not necessarily complete. You should refer to the copy of each contract or other document we have filed as an exhibit to the registration statement for complete information.

We will furnish without charge to you, upon written or oral request, a copy of any or all of the documents incorporated by reference in this prospectus, including exhibits to these documents. You should direct any requests for documents to:

Prologis, Inc.
Prologis, L.P.
Attn: Investor Relations
Pier 1, Bay 1
San Francisco, CA 94111
(415) 394-9000

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we file with the SEC at the SEC's Public Reference Room located at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. Our filings with the SEC are also available to the public at the SEC's website at http://www.sec.gov. You may also obtain copies of the documents at prescribed rates by writing to the SEC's Public Reference Section at 100 F Street, N.E., Washington, D.C. 20549.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. ***Other Expenses of Issuance and Distribution***

The following table sets forth the expenses in connection with the issuance and distribution of the securities being registered, other than underwriting discounts and commissions. All of the amounts shown are estimates, except the SEC registration fee which is deferred in accordance with Rules 456(b) and 457(r).

Item	Amount
SEC Registration Fee	$ *
Legal Fees and Expenses	250,000
Accounting Fees and Expenses	250,000
Rating Agency Fees	1,500,000
Trustee's Fees and Expenses	60,000
Printing and Engraving Expenses	250,000
Blue Sky Fees and Expenses	40,000
Miscellaneous	150,000
Total	$ 2,500,000

* Deferred in accordance with Rules 456(b) and 457(r).

Item 15. ***Indemnification of Directors and Officers***

Section 2-418 of the Maryland General Corporation Law permits a corporation to indemnify its directors and officers and certain other parties against judgments, penalties, fines, settlements, and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made a party by reason of their service in those or other capacities unless it is established that (i) the act or omission of the director or officer was material to the matter giving rise to the proceeding and (a) was committed in bad faith or (b) was the result of active and deliberate dishonesty; (ii) the director or officer actually received an improper personal benefit in money, property or services; or (iii) in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful. Indemnification may be made against judgments, penalties, fines, settlements and reasonable expenses actually incurred by the director or officer in connection with the proceeding; provided, however, that if the proceeding is one by or in the right of the corporation, indemnification may not be made with respect to any proceeding in which the director or officer has been adjudged to be liable to the corporation. In addition, a director or officer may not be indemnified with respect to any proceeding charging improper personal benefit to the director or officer, whether or not involving action in the director's or officer's official capacity, in which the director or officer was adjudged to be liable on the basis that personal benefit was improperly received. The termination of any proceeding by conviction, or upon a plea of nolo contendere or its equivalent, or an entry of any order of probation prior to judgment, creates a rebuttable presumption that the director or officer did not meet the requisite standard of conduct required for indemnification to be permitted.

In addition, Section 2-418 of the Maryland General Corporation Law requires that, unless prohibited by its Charter, a corporation indemnify any director or officer who is made a party to any proceeding by reason of service in that capacity against reasonable expenses incurred by the director or officer in connection with the proceeding, or any claim, issue or matter in the proceeding, in the event that the director or officer is successful, on the merits or otherwise, in the defense of the proceeding, or in the defense of any such claim, issue or matter in the proceeding.

Prologis, Inc.'s Charter and Bylaws provide in effect for the indemnification by the company of its directors and officers to the fullest extent permitted by applicable law. Prologis, Inc. has purchased directors' and officers' liability insurance for the benefit of its directors and officers.

Prologis, Inc. has entered into indemnification agreements with each of its executive officers and directors. The indemnification agreements require, among other matters, that Prologis, Inc. indemnify its executive officers and directors to the fullest extent permitted by law and reimburse the executive officers and directors for all related expenses as incurred, subject to return if it is subsequently determined that indemnification is not permitted.

The Partnership Agreement of Prologis, L.P. requires Prologis, L.P. to indemnify Prologis, Inc., the directors and officers of Prologis, Inc., and such other persons as Prologis, Inc. may from time to time designate against any loss or damage, including reasonable legal fees and court costs incurred by the person by reason of anything it may do or refrain from doing for or on behalf of Prologis, L.P. or in connection with its business or affairs unless it is established that: (i) the act or omission of the indemnified person was material to the matter giving rise to the proceeding and either was committed in bad faith or was the result of active and deliberate dishonesty; (ii) the indemnified person actually received an improper personal benefit in money, property or services; or (iii) in the case of any criminal proceeding, the indemnified person had reasonable cause to believe that the act or omission was unlawful.

Item 16. ***Exhibits***

See the Exhibit Index which is hereby incorporated herein by reference.

Item 17. ***Undertakings***

The undersigned Registrant hereby undertakes:

To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (i), (ii) and (iii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(i) Each prospectus filed by a Registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5) or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii) or (x) for the purpose of providing the information required by Section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which the prospectus relates, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof. *Provided, however,* that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

That, for the purpose of determining liability of a Registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities, each undersigned Registrant undertakes that in a primary offering of securities of an undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of an undersigned Registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of an undersigned Registrant or used or referred to by an undersigned Registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about an undersigned Registrant or its securities provided by or on behalf of an undersigned Registrant; and

(iv) Any other communication that is an offer in the offering made by an undersigned Registrant to the purchaser.

That, for purposes of determining any liability under the Securities Act of 1933, each filing of Registrant's annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

That, for purposes of determining any liability under the Securities Act of 1933,

(i) the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b) (1) or (4) or 497(h) under the Securities Act of 1933 shall be deemed to be part of this registration statement as of the time it was declared effective.

(ii) each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of each Registrant pursuant to the foregoing provisions, or otherwise, each Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by a Registrant of expenses incurred or paid by a director, officer or controlling person of a Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, that Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

The undersigned Registrants hereby undertake to supplement the prospectus, after the expiration of the subscription period, to set forth the results of the subscription offer, the transactions by the underwriters during the subscription period, the amount of unsubscribed securities to be purchased by the underwriters, and the terms of any subsequent reoffering thereof. If any public offering by the underwriters is to be made on terms differing from those set forth on the cover page of the prospectus, a post-effective amendment will be filed to set forth the terms of such offering.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrants certify that they have reasonable grounds to believe that they meet all of the requirements for filing on Form S-3 and have duly caused this Registration Statement to be signed on their behalf by the undersigned, thereunto duly authorized in the City of San Francisco, State of California, on September 30, 2011.

Prologis, Inc.

By: /s/ Hamid R. Moghadam
Hamid R. Moghadam
Chairman of the Board and
Co-Chief Executive Officer

Prologis, L.P.
By: Prologis, Inc.
Its: General Partner

By: /s/ Hamid R. Moghadam
Hamid R. Moghadam
Chairman of the Board and
Co-Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Hamid R. Moghadam, Walter C. Rakowich, William E. Sullivan, Thomas S. Olinger and Edward S. Nekritz, his or her true and lawful attorneys-in-fact and agents, for him or her and in his or her name, place and stead, in any and all capacities, with full power to act alone, to sign any and all amendments to this report, and to file each such amendment to this report, with all exhibits thereto, and any and all documents in connection therewith, with the SEC, hereby granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform any and all acts and things requisite and necessary to be done in and about the premises, as fully to all intents and purposes as it or he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them may lawfully do or cause to be done by virtue hereof.

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933, AS AMENDED, THIS REGISTRATION STATEMENT HAS BEEN SIGNED BY THE FOLLOWING PERSONS IN THE CAPACITIES AND ON THE DATES INDICATED.

Signature	Title	Date
/s/ Hamid R. Moghadam Hamid R. Moghadam	Chairman of the Board and Co-Chief Executive Officer (Co-Principal Executive Officer)	September 30, 2011
/s/ Walter C. Rakowich Walter C. Rakowich	Co-Chief Executive Officer and Director (Co-Principal Executive Officer)	September 30, 2011

Signature	Title	Date
/s/ William E. Sullivan William E. Sullivan	Chief Financial Officer (Principal Financial Officer)	September 30, 2011
/s/ Lori A. Palazzolo Lori A. Palazzolo	Senior Vice President and Chief Accounting Officer (Principal Accounting Officer)	September 30, 2011
/s/ George L. Fotiades George L. Fotiades	Director	September 30, 2011
/s/ Christine N. Garvey Christine N. Garvey	Director	September 30, 2011
/s/ Lydia H. Kennard Lydia H. Kennard	Director	September 30, 2011
/s/ J. Michael Losh J. Michael Losh	Director	September 30, 2011
/s/ Irving F. Lyons III Irving F. Lyons III	Director	September 30, 2011
/s/ Jeffrey L. Skelton Jeffrey L. Skelton	Director	September 30, 2011
/s/ D. Michael Steuert D. Michael Steuert	Director	September 30, 2011
/s/ Carl B. Webb Carl B. Webb	Director	September 30, 2011
/s/ William D. Zollars William D. Zollars	Director	September 30, 2011

EXHIBIT INDEX

Exhibit No.	Description
1.1	Form of Underwriting Agreement relating to the Common Stock.*
1.2	Form of Underwriting Agreement relating to the Preferred Stock.*
1.3	Form of Underwriting Agreement relating to the Debt Securities.*
4.1	Form of Certificate for Common Stock for Prologis, Inc. (incorporated by reference to Exhibit 4.1 to Prologis, Inc.'s Registration Statement on Form S-4/A (No. 333-172741) filed on April 12, 2011).
4.2	Indenture, by and among Prologis, L.P., as issuer, Prologis, Inc., as guarantor, and U.S. Bank National Association, as trustee.
4.3	First Supplemental Indenture in respect of the Prologis, L.P. 2.25% Exchangeable Senior Notes due 2037, by and among Prologis, L.P., as issuer, Prologis, Inc., as guarantor, and U.S. Bank National Association, as trustee.
4.4	Second Supplemental Indenture in respect of the Prologis, L.P. 1.875% Exchangeable Senior Notes due 2037, by and among Prologis, L.P., as issuer, Prologis, Inc., as guarantor, and U.S. Bank National Association, as trustee.
4.5	Third Supplemental Indenture in respect of the Prologis, L.P. 2.625% Exchangeable Senior Notes due 2038, by and among Prologis, L.P., as issuer, Prologis, Inc., as guarantor, and U.S. Bank National Association, as trustee.
4.6	Fourth Supplemental Indenture in respect of the Prologis, L.P. 3.25% Exchangeable Senior Notes due 2015, by and among Prologis, L.P., as issuer, Prologis, Inc., as guarantor, and U.S. Bank National Association, as trustee.
4.7	Form of Debt Securities.*
5.1	Opinion of Mayer Brown LLP.
8.1	Opinion of Mayer Brown LLP as to certain tax matters.
12.1	Computation of Ratio of Earnings to Fixed Charges (incorporated by reference to exhibit 12.1 to Prologis, Inc.'s and Prologis, L.P.'s Form 10-Q for the quarter ended June 30, 2011).
12.2	Computation of Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends (incorporated by reference to exhibit 12.2 to Prologis, Inc.'s and Prologis, L.P.'s Form 10-Q for the quarter ended June 30, 2011).
15.1	KPMG LLP Awareness Letter of Prologis, Inc. for the quarter ended June 30, 2011.
15.2	KPMG LLP Awareness Letter of Prologis, L.P. for the quarter ended June 30, 2011.
15.3	KPMG LLP Awareness Letter of Prologis for the quarter ended March 31, 2011.
23.1	Consent of KPMG LLP of Prologis for the year ended December 31, 2010.
23.2	Consent of PricewaterhouseCoopers LLP of Prologis, Inc. and Prologis, L.P. for the year ended December 31, 2010.
23.3	Consent of Mayer Brown LLP (included in exhibit 5.1).
23.4	Consent of Mayer Brown LLP (included in exhibit 8.1).
24.1	Power of Attorney (included on signature page to this registration statement).
25.1	Statement of Eligibility and Qualification of U.S. Bank National Association with respect to the Indenture, by and among Prologis, L.P., as issuer, Prologis, Inc., as guarantor, and U.S. Bank National Association, as trustee.

* To be filed by amendment or incorporated by reference in connection with the offering of the securities.

EXHIBIT 4.2

PROLOGIS, L.P.

AND

PROLOGIS, INC., as Parent Guarantor

SENIOR DEBT SECURITIES

GUARANTEES

INDENTURE

Dated as of June 8, 2011

U.S. BANK NATIONAL ASSOCIATION, As Trustee

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PROLOGIS, L.P.

Reconciliation and tie between Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), and Indenture, dated as of June 8, 2011

Trust Indenture Act Section	Indenture Section
§ 310(a)(1)	607(a)
(a)(2)	607(a)
(b)	607(b), 608
§ 312(c)	701
§ 314(a)	703
(a)(4)	1011
(c)(1)	102
(c)(2)	102
(e)	102
§ 315(b)	601
§ 316(a) (last sentence)	101("Outstanding")
(a)(1)(A)	502, 512
(a)(1)(B)	513
(b)	508
§ 317(a)(1)	503
(a)(2)	504
§ 318(a)	112
(c)	112

NOTE: This reconciliation and tie shall not, for any purpose, be deemed to be a part of the Indenture.

Attention should also be directed to Section 318(c) of the Trust Indenture Act, which provides that the provisions of Sections 310 to and including 317 of the Trust Indenture Act are a part of and govern every qualified indenture, whether or not physically contained therein.

INDENTURE, dated as of June 8, 2011, among PROLOGIS, L.P., a Delaware limited partnership (hereinafter called the "Company"), having its principal office at Pier 1, Bay 1, San Francisco, California 94111, PROLOGIS, INC., a Maryland corporation (hereinafter called the "Parent Guarantor"), having its principal office at Pier 1, Bay 1, San Francisco, California 94111 and U.S. BANK NATIONAL ASSOCIATION, as Trustee hereunder (hereinafter called the "Trustee"), having its Corporate Trust Office at 100 Wall Street, Suite 1600, New York, New York 10005.

RECITALS OF THE COMPANY AND PARENT GUARANTOR

The Company deems it necessary to issue from time to time for its lawful purposes senior debt securities (hereinafter called the "Securities") evidencing its unsecured and unsubordinated indebtedness, and has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of the Securities, unlimited as to aggregate principal amount, to bear interest at the rates or formulas, to mature at such times and to have such other provisions as shall be fixed therefor as hereinafter provided. The Parent Guarantor has duly authorized the execution and delivery of this Indenture and its guarantee of the Securities (the "Guarantees") as hereinafter provided.

All things necessary to make this Indenture a valid agreement of the Company and the Parent Guarantor, in accordance with its terms, have been done.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Securities, as follows:

ARTICLE ONE

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

SECTION 101. Definitions. For all purposes of this Indenture, except as otherwise expressly provided or the context otherwise requires:

(1) the terms defined in this Article have the meanings assigned to them in this Article, and include the plural as well as the singular;

(2) all other terms used herein which are defined in the TIA, either directly or by reference therein, have the meanings assigned to them therein, and the terms "cash transaction" and "self-liquidating paper," as used in TIA Section 311, shall have the meanings assigned to them in the rules of the Commission adopted under the TIA;

(3) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with GAAP; and

(4) the words “herein,” “hereof” and “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

Certain terms, used principally in Article Three, Article Five, Article Six and Article Ten, are defined in those Articles. In addition, the following terms shall have the indicated respective meanings:

“Acquired Debt” means Debt of a Person (i) existing at the time such Person becomes a Subsidiary or (ii) assumed in connection with the acquisition of assets from such Person, in each case, other than Debt incurred in connection with, or in contemplation of, such Person becoming a Subsidiary or such acquisition. Acquired Debt shall be deemed to be incurred on the date of the related acquisition of assets from any Person or the date the acquired Person becomes a Subsidiary.

“Act” has the meaning specified in Section 104.

“Additional Amounts” means any additional amounts which are required by a Security, under circumstances specified therein, to be paid by the Company in respect of certain taxes imposed on certain Holders and which are owing to such Holders.

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, “control” when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Annual Service Charge” as of any date means the maximum amount which is payable in any period for interest on, and original issue discount of, Debt of the Company and its Subsidiaries and the amount of dividends which are payable in respect of any Disqualified Stock.

“Authenticating Agent” means any authenticating agent appointed by the Trustee pursuant to Section 611.

“Authorized Newspaper” means a newspaper, printed in the English language or in an official language of the country of publication, customarily published on each Business Day, whether or not published on Saturdays, Sundays or holidays, and of general circulation in each place in connection with which the term is used or in the financial community of each such place. Whenever successive publications are required to be made in Authorized Newspapers, the successive publications may be made in the same or in different Authorized Newspapers in the same city meeting the foregoing requirements and in each case on any Business Day.

“Bankruptcy Law” has the meaning specified in Section 501.

"Board of Directors" means the board of directors of the General Partner or, if the Company shall be succeeded by a corporation pursuant to the provisions of this Indenture, the board of directors of the Company's successor or any committee of such applicable board duly authorized to act generally or in any particular respect hereunder.

"Board Resolution" means a copy of a resolution certified by the Secretary or an Assistant Secretary of the General Partner or, if the Company shall be succeeded by a corporation pursuant to the provisions of this Indenture, of the Company's successor, to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"Business Day," when used with respect to any Place of Payment or any other particular location referred to in this Indenture or in the Securities, means, unless otherwise specified with respect to any Securities pursuant to Section 301, any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions in that Place of Payment or particular location are authorized or required by law, regulation or executive order to close.

"Capital Stock" means, with respect to any Person, any capital stock (including preferred stock), shares, interests, participations or other ownership interests (however designated) of such Person and any rights (other than debt securities convertible or exchangeable for capital stock), warrants or options to purchase any thereof.

"Commission" means the Securities and Exchange Commission, as from time to time constituted, created under the Exchange Act, or, if at any time after execution of this instrument such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties on such date.

"Company" means the Person named as the "Company" in the first paragraph of this Indenture until a successor shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Company" shall mean such successor.

"Company Request" and "Company Order" mean, respectively, a written request or order signed in the name of the Company by the General Partner's Chairman, Vice Chairman, President, Chief Executive Officer, co-Chief Executive Officer, Chief Financial Officer, any Managing Director or any Vice President and by the Treasurer, an Assistant Treasurer, the Secretary or an Assistant Secretary of the General Partner and delivered to the Trustee, provided that if the Company shall be succeeded by a corporation pursuant to the provisions of this Indenture, "Company Request" and "Company Order" shall mean respectively, a written request or order signed in the name of such successor by its Chairman, Vice Chairman, President, Chief Executive Officer, co-Chief Executive Officer, Chief Financial Officer, any Managing Director or any Vice President and by the Treasurer, an Assistant Treasurer, the Secretary or an Assistant Secretary of the General Partner and delivered to the Trustee.

"Consolidated Income Available for Debt Service" for any period means Earnings from Operations of the Company and its Subsidiaries plus amounts which have been deducted, and

minus amounts which have been added, for the following (without duplication): (a) interest on Debt of the Company and its Subsidiaries, (b) provision for taxes of the Company and its Subsidiaries based on income, (c) amortization of debt discount, (d) provisions for unrealized gains and losses, depreciation and amortization, and the effect of any other non-cash items, (e) extraordinary, non-recurring and other unusual items (including, without limitation, any costs and fees incurred in connection with any debt financing or amendments thereto, any acquisition, disposition, recapitalization or similar transaction (regardless of whether such transaction is completed)), (f) the effect of any noncash charge resulting from a change in accounting principles in determining Earnings from Operations for such period, (g) amortization of deferred charges and (h) any of the items described in clauses (d) and (e) above that were included in Earnings from Operations on account of an Equity Investee.

"Conversion Event" means the cessation of use of (i) a Foreign Currency (other than the Euro or other currency unit) both by the government of the country which issued such currency and for the settlement of transactions by a central bank or other public institutions of or within the international banking community, (ii) the Euro for the settlement of transactions by public institutions of or within the European Union or (iii) any currency unit (or composite currency) other than the Euro for the purposes for which it was established.

"Corporate Trust Office" means the office of the Trustee at which, at any particular time, its corporate trust business shall be principally administered, which office at the date hereof is located at 100 Wall Street, Suite 1600, New York, New York 10005.

"corporation" includes corporations, associations, companies and business trusts.

"Custodian" has the meaning set forth in Section 501.

"Debt" of the Company or any Subsidiary means any indebtedness of the Company or any Subsidiary, excluding any accrued expense or trade payable, whether or not contingent, in respect of (i) borrowed money evidenced by bonds, notes, debentures or similar instruments, (ii) indebtedness secured by any mortgage, pledge, lien, charge, encumbrance or any security interest existing on property owned by the Company or any Subsidiary, but only to the extent of the lesser of (x) the amount of indebtedness so secured and (y) the fair market value of the property subject to such mortgage, pledge, lien, charge, encumbrance or any security interest, (iii) the reimbursement obligations, contingent or otherwise, in connection with any letters of credit actually issued and called or amounts representing the balance deferred and unpaid of the purchase price of any property or services, or all conditional sale obligations or obligations under any title retention agreement, (iv) the principal amount of all obligations of the Company or any Subsidiary with respect to redemption, repayment or other repurchase of any Disqualified Stock or (v) any lease of property by the Company or any Subsidiary as lessee which is reflected on the Company's Consolidated Balance Sheet as a capitalized lease in accordance with GAAP and to the extent, in the case of items of indebtedness under (i) through (iii) above, that any such items (other than letters of credit) would appear as a liability on the Company's Consolidated Balance Sheet in accordance with GAAP, and also includes, to the extent not otherwise included, any

obligation by the Company or any Subsidiary to be liable for, or to pay, as obligor, guarantor or otherwise (other than for purposes of collection in the ordinary course of business), Debt of another Person (other than the Company or any Subsidiary).

"Defaulted Interest" has the meaning specified in Section 307.

"Disqualified Stock" means, with respect to any Person, any Capital Stock of such Person which by the terms of such Capital Stock (or by the terms of any security into which it is convertible or for which it is exchangeable or exercisable), upon the happening of any event or otherwise (i) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, (ii) is convertible into or exchangeable or exercisable for Debt or Disqualified Stock or (iii) is redeemable at the option of the holder thereof, in whole or in part, in each case on or prior to the Stated Maturity of the series of Debt Securities.

"Dollar" or "$" means a dollar or other equivalent unit in such coin or currency of the United States of America as at the time shall be legal tender for the payment of public and private debts.

"DTC" means The Depository Trust Company.

"Earnings from Operations" for any period means net earnings excluding gains and losses on sales of investments, net, as reflected in the financial statements of the Company and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP.

"Encumbrance" means any mortgage, pledge, lien, charge, encumbrance or any security interest existing on property owned by the Company or any Subsidiary securing indebtedness for borrowed money, other than a Permitted Encumbrance.

"Equity Investee" means any Person in which the Company or any Subsidiary holds an ownership interest that is accounted for by the Company or a Subsidiary under the equity method of accounting.

"Euro" means the lawful currency for the time being of the participating states of the European Union.

"Event of Default" has the meaning specified in Article Five.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder by the Commission.

"Foreign Currency" means any currency, currency unit or composite currency, including, without limitation, the Euro, issued by the government of one or more countries other than the United States of America or by any recognized confederation or association of such governments.

"GAAP" means generally accepted accounting principles as used in the United States applied on a consistent basis as in effect from time to time; provided, that solely for purposes of calculating the financial covenants contained herein, "GAAP" means generally accepted accounting principles as used in the United States on August 14, 2009 consistently applied.

"General Partner" means Prologis, Inc., a Maryland corporation, until a successor shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "General Partner" shall mean such successor.

"Government Obligations" means securities which are (i) direct obligations of the United States of America or the government which issued the Foreign Currency in which the Securities of a particular series are payable, for the payment of which its full faith and credit is pledged or (ii) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America or such government which issued the Foreign Currency in which the Securities of such series are payable, the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America or such other government, which, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank or trust company as custodian with respect to any such Government Obligation or a specific payment of interest on or principal of any such Government Obligation held by such custodian for the account of the holder of a depository receipt, provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the Government Obligation or the specific payment of interest on or principal of the Government Obligation evidenced by such depository receipt.

"Guarantors" means the Parent Guarantor and any additional Guarantor pursuant to Section 1605.

"Guarantees" means each Guarantee executed pursuant to the provisions of this Indenture.

"Holder" means, in the case of a Registered Security, the Person in whose name a Security is registered in the Security Register.

"Indenture" means this instrument as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof, and shall include the terms of particular series of Securities established as contemplated by Section 301; provided, however, that, if at any time more than one Person is acting as Trustee under this instrument, "Indenture" shall mean, with respect to any one or more series of Securities for which such Person is Trustee, this instrument as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof and shall include the terms of the or those particular series of Securities for which such Person is Trustee established as contemplated by Section 301, exclusive, however, of any provisions or terms which relate solely to other series of Securities for which such Person is not Trustee,

regardless of when such terms or provisions were adopted, and exclusive of any provisions or terms adopted by means of one or more indentures supplemental hereto executed and delivered after such Person had become such Trustee but to which such Person, as such Trustee, was not a party.

"Indexed Security" means a Security the terms of which provide that the principal amount thereof payable at Stated Maturity may be more or less than the principal face amount thereof at original issuance.

"interest" when used with respect to an Original Issue Discount Security which by its terms bears interest only after Maturity, shall mean interest payable after Maturity, and, when used with respect to a Security which provides for the payment of Additional Amounts pursuant to Section 1011, includes such Additional Amounts.

"Interest Payment Date" means, when used with respect to any Security, the Stated Maturity of an installment of interest on such Security.

"Make-Whole Amount" means the amount, if any, in addition to principal which is required by a Security, under the terms and conditions specified therein or as otherwise specified as contemplated by Section 301, to be paid by the Company to the Holder thereof in connection with any optional redemption or accelerated payment of such Security.

"Maturity" means, when used with respect to any Security, the date on which the principal of such Security or an installment of principal become due and payable as therein or herein provided, whether at the Stated Maturity or by declaration of acceleration, notice of redemption, notice of option to elect repayment, repurchase or otherwise.

"Officers' Certificate" means a certificate signed by the Chairman, Vice Chairman, President, Chief Executive Officer, co-Chief Executive Officer, Chief Financial Officer, any Managing Director or any Vice President and by the Treasurer, an Assistant Treasurer, the Secretary or an Assistant Secretary of the General Partner and delivered to the Trustee.

"Opinion of Counsel" means a written opinion of counsel, who may be an employee of or counsel for the Company or the General Partner and who shall be satisfactory to the Trustee.

"Original Issue Discount Security" means any Security which provides for an amount less than the principal amount thereof to be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 502.

"Outstanding," when used with respect to Securities, means, as of the date of determination, all Securities theretofore authenticated and delivered under this Indenture, except:

(i) Securities theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(ii) Securities, or portions thereof, for whose payment or redemption or repayment at the option of the Holder money in the necessary amount has been theretofore previously paid or deposited with the Trustee or any Paying Agent (other than the Company) in trust or set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the holders of such Securities; provided that, if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or other provision therefor satisfactory to the Trustee has been made;

(iii) Securities, except solely to the extent provided in Sections 401, 1402 or 1403, as applicable, with respect to which the Company has effected defeasance and/or covenant defeasance as provided in Articles Four or Fourteen; and

(iv) Securities which have been paid pursuant to Section 306 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Securities are held by a bona fide purchaser in whose hands such Securities are valid obligations of the Company;

provided, however, that in determining whether the Holders of the requisite principal amount of the Outstanding Securities have given any request, demand, authorization, direction, notice, consent or waiver hereunder or are present at a meeting of Holders for quorum purposes, and for the purpose of making the calculations required by TIA Section 313, (i) the principal amount of an Original Issue Discount Security that may be counted in making such determination or calculation and that shall be deemed to be Outstanding for such purpose shall be equal to the amount of principal thereof that would be (or shall have been declared to be) due and payable, at the time of such determination, upon a declaration of acceleration of the maturity thereof pursuant to Section 502, (ii) the principal amount of any Security denominated in a Foreign Currency that may be counted in making such determination or calculation and that shall be deemed Outstanding for such purpose shall be equal to the Dollar equivalent, determined pursuant to Section 301 as of the date such Security is originally issued by the Company, of the principal amount (or, in the case of an Original Issue Discount Security, the Dollar equivalent as of such date of original issuance of the amount determined as provided in clause (i) above) of such Security, (iii) the principal amount of any Indexed Security that may be counted in making such determination or calculation and that shall be deemed outstanding for such purpose shall be equal to the principal face amount of such Indexed Security at original issuance, unless otherwise provided with respect to such Indexed Security pursuant to Section 301, and (iv) Securities owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in making such calculation or in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Securities which the Trustee knows to be so owned shall be so disregarded. Securities so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Securities and that the

pledgee is not the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor.

"Parent Guarantor" means Prologis, Inc., a Maryland corporation, until a successor shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Parent Guarantor" shall mean such successor.

"Paying Agent" means any Person authorized by the Company to pay the principal of (and premium or Make-Whole Amount, if any) or interest on any Securities on behalf of the Company, or if no such Person is authorized, the Company.

"Permitted Encumbrances" means leases, Encumbrances securing taxes, assessments and similar charges, mechanics liens and other similar Encumbrances.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Place of Payment" means, when used with respect to the Securities of or within any series, the Corporate Trust Office of the Trustee and any place or places that the Company may from time to time designate as the place or places where the principal of (and premium or Make-Whole Amount, if any) and interest on such Securities are payable as specified as contemplated by Sections 301 and 1002 and presentations, surrenders, notices and demands with respect to the Securities and this Indenture may be made.

"Predecessor Security" of any particular Security means every previous Security evidencing all or a portion of the same debt as that evidenced by such particular Security; and, for the purposes of this definition, any Security authenticated and delivered under Section 306 in exchange for or in lieu of a mutilated, destroyed, lost or stolen Security or a Security to which a mutilated, destroyed, lost or stolen Guarantee appertains shall be deemed to evidence the same debt as the mutilated, destroyed, lost or stolen Security or the Security to which the mutilated, destroyed, lost or stolen Guarantee appertains.

"Redemption Date" means, when used with respect to any Security to be redeemed, in whole or in part, the date fixed for such redemption by or pursuant to this Indenture.

"Redemption Price" means, when used with respect to any Security to be redeemed, the price at which it is to be redeemed pursuant to this Indenture.

"Refinancing Debt" means Debt issued in exchange for, or the net proceeds of which are used to refinance or refund, then outstanding Debt (including the principal amount, accrued interest and premium, if any, of such Debt plus any fees and expenses incurred in connection with such refinancing); provided that (a) if such new Debt, or the proceeds of such new Debt, are used to refinance or refund Debt that is subordinated in right of payment to the Securities of any series, such new Debt shall only be permitted if it is expressly made subordinate in right of

payment to the Securities of such series at least to the extent that the Debt to be refinanced is subordinated to the Securities of such series and (b) such new Debt does not mature prior to the stated maturity of the Debt to be refinanced or refunded, and the weighted average life of such new Debt is at least equal to the remaining weighted average life of the Debt to be refinanced or refunded.

"Registered Security" means any Security which is registered in the Security Register.

"Regular Record Date" for the installment of interest payable on any Interest Payment Date on the Registered Securities of or within any series means the date specified for that purpose as contemplated by Section 301, whether or not a Business Day.

"Repayment Date" means, when used with respect to any Security to be repaid or repurchased at the option of the Holder, the date fixed for such repayment or repurchase by or pursuant to this Indenture.

"Repayment Price" means, when used with respect to any Security to be repaid or repurchased at the option of the Holder, the price at which it is to be repaid or repurchased by or pursuant to this Indenture.

"Responsible Officer" means, when used with respect to the Trustee, any officer of the Trustee in the corporate trust department or similar group of the Trustee or with respect to any particular matter arising hereunder, any officer of the Trustee to whom such matter has been assigned.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder by the Commission.

"Security" has the meaning stated in the first recital of this Indenture and, more particularly, means any Security or Securities authenticated and delivered under this Indenture; provided, however, that, if at any time there is more than one Person acting as Trustee under this Indenture, "Securities" with respect to the Indenture as to which such Person is Trustee shall have the meaning stated in the first recital of this Indenture and shall more particularly mean Securities authenticated and delivered under this Indenture, exclusive, however, of Securities of or within any series as to which such Person is not Trustee.

"Security Register" and "Security Registrar" have the respective meanings specified in Section 305.

"Significant Subsidiary" means any Subsidiary which is a "significant subsidiary" (within the meaning of Regulation S-X, promulgated under the Securities Act) of the Company.

"Special Record Date" for the payment of any Defaulted Interest on the Registered Securities of or within any series means a date fixed by the Trustee pursuant to Section 307.

“Stated Maturity” means, when used with respect to any Security or any installment of principal thereof or interest thereon, the date specified in such Security as the fixed date on which the principal of such Security or such installment of principal or interest is due and payable.

“Subsidiary” means, with respect to any Person, (i) a corporation, partnership, joint venture, limited liability company or other entity the majority of the shares, if any, of the non-voting capital stock or other equivalent ownership interests of which (except directors’ qualifying shares) are at the time directly or indirectly owned by such Person and/or any other Subsidiary or Subsidiaries of such Person, and the majority of the shares of the voting capital stock or other equivalent ownership interests of which (except directors’ qualifying shares) are at the time directly or indirectly owned by such Person, any other Subsidiary or Subsidiaries of such Person, and (ii) any other entity the accounts of which are consolidated with the accounts of such Person. For the purposes of this definition, “voting capital stock” means capital stock having voting power for the election of directors, whether at all times or only so long as no senior class of capital stock has such voting power by reason of any contingency.

“Total Assets” as of any date means the sum of (i) Undepreciated Real Estate Assets and (ii) all other assets of the Company and its Subsidiaries determined in accordance with GAAP (but excluding accounts receivable and intangibles).

“Total Unencumbered Assets” means the sum of (i) Undepreciated Real Estate Assets not subject to an Encumbrance and (ii) the value (determined in accordance with GAAP) of all other assets (other than accounts receivable and intangibles) of the Company and its Subsidiaries not subject to an Encumbrance.

“Trust Indenture Act” or “TIA” means the Trust Indenture Act of 1939, as amended and as in force at the date as of which this Indenture was executed, except as provided in Section 905.

“Trustee” means the Person named as the “Trustee” in the first paragraph of this Indenture until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter “Trustee” shall mean or include each Person who is then a Trustee hereunder; provided, however, that if at any time there is more than one such Person, “Trustee” as used with respect to the Securities of or within any series shall mean only the Trustee with respect to the Securities of that series.

“Undepreciated Real Estate Assets” as of any date means the cost (original cost plus capital improvements) of real estate assets of the Company and its Subsidiaries on such date, before depreciation, amortization and impairment charges determined on a consolidated basis in accordance with GAAP.

“United States” means, unless otherwise specified with respect to any Securities pursuant to Section 301, the United States of America (including the states and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction.

"United States person" means, unless otherwise specified with respect to any Securities pursuant to Section 301, an individual who is a citizen or resident of the United States, a corporation, partnership or other entity created or organized in or under the laws of the United States or an estate or trust the income of which is subject to United States federal income taxation regardless of its source.

"Unsecured Debt" means Debt of the types described in clauses (i), (iii) and (iv) of the definition thereof which is not secured by any mortgage, lien, charge, pledge or security interest of any kind upon any of the properties of the Company or any Subsidiary.

"Yield to Maturity" means the yield to maturity, computed at the time of issuance of a Security (or, if applicable, at the most recent redetermination of interest on such Security) and as set forth in such Security in accordance with generally accepted United States bond yield computation principles.

SECTION 102. Compliance Certificates and Opinions. Upon any application or request by the Company to the Trustee to take any action under any provision of this Indenture, the Company shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent, if any, provided for in this Indenture (including covenants, compliance with which constitute conditions precedent) relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (excluding certificates delivered pursuant to Section 1010) shall include:

(1) a statement that each individual signing such certificate or opinion has read such condition or covenant and the definitions herein relating thereto;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of each such individual, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such condition or covenant has been complied with; and

(4) a statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

SECTION 103. Form of Documents Delivered to Trustee. In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion as to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer of the General Partner, any Guarantor, any general partner or manager of any Guarantor or any successor of the Company or any Guarantor may be based, insofar as it relates to legal matters, upon an Opinion of Counsel, or a certificate or representations by counsel, unless such officer knows, or in the exercise of reasonable care should know, that the opinion, certificate or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such Opinion of Counsel or certificate or representations may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the General Partner, any Guarantor, any general partner or manager of any Guarantor or any successor of the Company or any Guarantor, as applicable, stating that the information as to such factual matters is in the possession of the General Partner, any Guarantor, any general partner or manager of any Guarantor or any successor of the Company or any Guarantor, as applicable, unless such counsel knows that the certificate or opinion or representations as to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

SECTION 104. Acts of Holders.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders of the Outstanding Securities of all series or one or more series, as the case may be, may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by agents duly appointed in writing. Except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments or record or both are delivered to the Trustee and, where it is hereby expressly required, to the Company. Such instrument or instrument and any such record (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the “Act” of the Holders signing such instrument or instruments or so voting at any such meeting. Proof of execution of any such instrument or of a writing appointing any such agent, or of the holding by any Person of a Security, shall be sufficient for any purpose of this Indenture and conclusive in favor of the Trustee and the Company and any agent of the Trustee or the Company, if made in the manner provided in this Section. The record of any meeting of Holders of Securities shall be proved in the manner provided in Section 1506.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgements of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by a signer acting in a capacity other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other reasonable manner which the Trustee deems sufficient.

(c) The ownership of Registered Securities shall be proved by the Security Register.

(d) If the Company shall solicit from the Holders of Registered Securities any request, demand, authorization, direction, notice, consent, waiver or other Act, the Company may, at its option, in or pursuant to a Board Resolution, fix in advance a record date for the determination of Holders entitled to give such request, demand, authorization, direction, notice, consent, waiver or other Act, but the Company shall have no obligation to do so. Notwithstanding TIA Section 316(c), such record date shall be the record date specified in or pursuant to such Board Resolution, which shall be a date not earlier than the date 30 days prior to the first solicitation of Holders generally in connection therewith and not later than the date such solicitation is completed. If such a record date is fixed, such request, demand, authorization, direction, notice, consent, waiver or other Act may be given before or after such record date, but only the Holders of record at the close of business on such record date shall be deemed to be Holders for the purposes of determining whether Holders of the requisite proportion of Outstanding Securities have authorized or agreed or consented to such request, demand, authorization, direction, notice, consent, waiver or other Act, and for that purpose the Outstanding Securities shall be computed as of such record date; provided that no such authorization, agreement or consent by the Holders on such record date shall be deemed effective unless it shall become effective pursuant to the provisions of this Indenture not later than eleven months after the record date.

(e) Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Security shall bind every future Holder of the same Security and the Holder of every Security issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Trustee, any Security Registrar, any Paying Agent, any Authenticating Agent or the Company in reliance thereon, whether or not notation of such action is made upon such Security.

SECTION 105. Notices, etc., to Trustee and Company. Any request, demand, authorization, direction, notice, consent, waiver or Act of Holders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with,

(1) the Trustee by any Holder or by the Company shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to or with the Trustee at its Corporate Trust Office, Attention: Corporate Trust Administration, or

(2) The Company by the Trustee or by any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing and mailed, first class postage prepaid, to the Company addressed to it at the address of its principal office specified in the first paragraph of this Indenture or at any other address previously furnished in writing to the Trustee by the Company.

SECTION 106. Notice to Holders; Waiver. Where this Indenture provides for notice of any event to Holders of Registered Securities by the Company or the Trustee, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each such Holder affected by such event, at his address as it appears in the Security Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice. In any case where notice to Holders of Registered Securities is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders of Registered Securities. Any notice mailed to a Holder in the manner herein prescribed shall be conclusively deemed to have been received by such Holder, whether or not such Holder actually receives such notice.

If by reason of the suspension of or irregularities in regular mail service or by reason of any other cause it shall be impracticable to give such notice by mail, then such notification to Holders of Registered Securities as shall be made with the approval of the Trustee shall constitute a sufficient notification to such Holders for every purpose hereunder.

Any request, demand, authorization, direction, notice, consent or waiver required or permitted under this Indenture shall be in the English language, except that any published notice may be in an official language of the country of publication.

Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 107. Effect of Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 108. Successors and Assigns. All covenants and agreements in this Indenture by the Company and the Guarantors shall bind their respective successors and assigns, whether so expressed or not.

SECTION 109. Separability Clause. In case any provision in this Indenture or in any Security or Guarantee shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 110. Benefits of Indenture. Nothing in this Indenture or in the Securities or Guarantees appertaining thereto, express or implied, shall give to any Person, other than the parties hereto, any Security Registrar, any Paying Agent, any Authenticating Agent and their successors hereunder and the Holders any benefit or any legal or equitable right, remedy or claim under this Indenture.

SECTION 111. No Personal Liability. Except as provided in Article Sixteen of this Indenture, no recourse under or upon any obligation, covenant or agreement contained in this Indenture, in any Security or Guarantee appertaining thereto, or because of any indebtedness evidenced thereby, shall be had against any promoter, as such, or against any past, present or future stockholder, partner, director, officer, employee, agent thereof or trustee, as such, of the Company or any Guarantor or of any successor thereof, either directly or through the Company or any Guarantor or any successor thereof, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability being expressly waived and released by the acceptance of the Securities by the Holders thereof and as part of the consideration for the issue of the Securities.

SECTION 112. Governing Law. This Indenture and the Securities and Guarantees shall be governed by and construed in accordance with the law of the State of New York. This Indenture is subject to the provisions of the TIA that are required to be part of this Indenture and shall, to the extent applicable, be governed by such provisions.

SECTION 113. Legal Holidays. In any case where any Interest Payment Date, Redemption Date, Repayment Date, sinking fund payment date, Stated Maturity or Maturity of any Security shall not be a Business Day at any Place of Payment, then (notwithstanding any other provision of this Indenture or any Security other than a provision in the Securities of any series which specifically states that such provision shall apply in lieu hereof), payment of interest or any Additional Amounts or principal (and premium or Make-Whole Amount, if any) need not be made at such Place of Payment on such date, but may be made on the next succeeding Business Day at such Place of Payment with the same force and effect as if made on the Interest Payment Date, Redemption Date, Repayment Date or sinking fund payment date, or at the Stated Maturity or Maturity, provided that no interest shall accrue on the amount so payable for the period from and after such Interest Payment Date, Redemption Date, Repayment Date, sinking fund payment date, Stated Maturity or Maturity, as the case may be.

ARTICLE TWO

SECURITIES FORMS

SECTION 201. Forms of Securities. The Registered Securities, if any, of each series shall be in substantially the forms as shall be established in or pursuant to one or more indentures

supplemental hereto or Board Resolutions, shall have such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture or any indenture supplemental hereto, and may have such letters, numbers or other marks of identification or designation and such legends or endorsements placed thereon as the Company may deem appropriate and as are not inconsistent with the provisions of this Indenture, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any stock exchange on which the Securities may be listed, or to conform to usage.

The definitive Securities and Guarantees appertaining thereto shall be printed, lithographed or engraved or produced by any combination of these methods on a steel engraved border or steel engraved borders or may be produced in any other manner, all as determined by the officers executing such Securities or Guarantees, as evidenced by their execution of such Securities or Guarantees.

SECTION 202. Form of Trustee's Certificate of Authentication. Subject to Section 611, the Trustee's certificate of authentication shall be in substantially the following form:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By ________________________________
Authorized Officer

SECTION 203. Securities Issuable in Global Form. If Securities of or within a series are issuable in global form, as specified as contemplated by Section 301, then, notwithstanding clause (8) of Section 301 and the provisions of Section 302, any such Security shall represent such of the Outstanding Securities of such series as shall be specified therein and may provide that it shall represent the aggregate amount of Outstanding Securities of such series from time to time endorsed thereon and that the aggregate amount of Outstanding Securities of such series represented thereby may from time to time be increased or decreased to reflect exchanges. Any endorsement of a Security in global form to reflect the amount, or any increase or decrease in the amount, of Outstanding Securities represented thereby shall be made by the Trustee in such manner and upon instructions given by such Person or Persons as shall be specified therein or in the Company Order to be delivered to the Trustee pursuant to Section 303 or 304. Subject to the provisions of Section 303 and, if applicable, Section 304, the Trustee shall deliver and redeliver any Security in permanent global form in the manner and upon instructions given by the Person or Persons specified therein or in the applicable Company Order. If a Company Order pursuant to Section 303 or 304 has been, or simultaneously is, delivered, any instructions by the Company with respect to endorsement or delivery or redelivery of a Security in global form shall be in

writing but need not comply with Section 102 and need not be accompanied by an Opinion of Counsel.

The provisions of the last sentence of Section 303 shall apply to any Security represented by a Security in global form if such Security was never issued and sold by the Company and the Company delivers to the Trustee the Security in global form together with written instructions (which need not comply with Section 102 and need not be accompanied by an Opinion of Counsel) with regard to the reduction in the principal amount of Securities represented thereby, together with the written statement contemplated by the last sentence of Section 303.

Notwithstanding the provisions of Section 307, unless otherwise specified as contemplated by Section 301, payment of principal of and any premium or Make-Whole Amount and interest on any Security in permanent global form shall be made to the Person or Persons specified therein.

Notwithstanding the provisions of Section 308 and except as provided in the preceding paragraph, the Company, the Trustee and any agent of the Company and the Trustee shall treat as the Holder of such principal amount of Outstanding Securities represented by a permanent global Security in registered form, the Holder of such permanent global Security in registered form.

ARTICLE THREE

THE SECURITIES

SECTION 301. Amount Unlimited; Issuable in Series. The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is unlimited.

The Securities may be issued in one or more series. There shall be established in or pursuant to one or more Board Resolutions, or indentures supplemental hereto, prior to the issuance of Securities of any series, any or all of the following, as applicable (each of which (except for the matters set forth in clauses (1), (2) and (15) below), if so provided, may be determined from time to time by the Company with respect to unissued Securities of or within the series when issued from time to time):

(1) the title of the Securities of or within the series (which shall distinguish the Securities of such series from all other series of Securities);

(2) any limit upon the aggregate principal amount of the Securities of or within the series that may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Securities of or within the series pursuant to Section 304, 305, 306, 906, 1107 or 1305);

(3) the date or dates, or the method by which such date or dates will be determined, on which the principal of the Securities of or within the series shall be payable and the amount of principal payable thereon;

(4) the rate or rates at which the Securities of or within the series shall bear interest, if any, or the method by which such rate or rates shall be determined, the date or dates from which such interest shall accrue or the method by which such date or dates shall be determined, the Interest Payment Dates on which such interest will be payable and the Regular Record Date, if any, for the interest payable on any Registered Security on any Interest Payment Date, or the method by which such date shall be determined, and the basis upon which interest shall be calculated if other than that of a 360-day year comprised of twelve 30-day months;

(5) the place or places, if any, other than or in addition to the Borough of Manhattan, City of New York, New York or such other place designated for the applicable Security, where the principal of (and premium or Make-Whole Amount, if any), interest, if any, on, and Additional Amounts, if any, payable in respect of, Securities of or within the series shall be payable, any Registered Securities of or within the series may be surrendered for registration of transfer or exchange and notices or demands to or upon the Company in respect of the Securities of or within the series and this Indenture may be served;

(6) the period or periods within which, the price or prices (including the premium or Make-Whole Amount, if any), at which, the currency or currencies, currency unit or units or composite currency or currencies in which, and other terms and conditions upon which Securities of or within the series may be redeemed, in whole or in part, at the option of the Company, if the Company is to have the option;

(7) the obligation, if any, of the Company to redeem, repay or purchase Securities of or within the series pursuant to any sinking fund or analogous provision or at the option of a Holder thereof, and the period or periods within which or the date or dates on which, the price or prices at which, the currency or currencies, currency unit or units or composite currency or currencies in which, and other terms and conditions upon which Securities of or within the series shall be redeemed, repaid or purchased, in whole or in part, pursuant to such obligation;

(8) if other than denominations of $1,000 and any integral multiple thereof, the denominations in which any Registered Securities of or within the series shall be issuable;

(9) if other than the Trustee, the identity of each Security Registrar and/or Paying Agent;

(10) if other than the principal amount thereof, the portion of the principal amount of Securities of or within the series that shall be payable upon declaration of

acceleration of the Maturity thereof pursuant to Section 502, or the method by which such portion shall be determined;

(11) if other than Dollars, the Foreign Currency or Currencies in which payment of the principal of (and premium or Make-Whole Amount, if any) or interest or Additional Amounts, if any, on the Securities of or within the series shall be payable or in which the Securities of or within the series shall be denominated;

(12) whether the amount of payments of principal of (and premium or Make-Whole Amount, if any) or interest, if any, on the Securities of or within the series may be determined with reference to an index, formula or other method (which index, formula or method may be based, without limitation, on one or more currencies, currency units, composite currencies, commodities, equity indices or other indices), and the manner in which such amounts shall be determined;

(13) whether the principal of (and premium or Make-Whole Amount, if any) or interest or Additional Amounts, if any, on the Securities of or within the series are to be payable, at the election of the Company or a Holder thereof, in a currency or currencies, currency unit or units or composite currency or currencies other than that in which such Securities are denominated or stated to be payable, the period or periods within which (including the Election Date), and the terms and conditions upon which, such election may be made, and the time and manner of, and identity of the exchange rate agent with responsibility for, determining the exchange rate between the currency or currencies, currency unit or units or composite currency or currencies in which such Securities are denominated or stated to be payable and the currency or currencies, currency unit or units or composite currency or currencies in which such Securities are to be so payable;

(14) provisions, if any, granting special rights to the Holders of Securities of or within the series upon the occurrence of such events as may be specified;

(15) any deletions from, modifications of or additions to the Events of Default or covenants of the Company with respect to Securities of or within the series, whether or not such Events of Default or covenants are consistent with the Events of Default or covenants set forth herein;

(16) whether any Securities of or within the series are to be issuable initially in temporary global form and whether any Securities of or within the series are to be issuable in permanent global form and, if so, whether beneficial owners of interests in any such permanent global Security may exchange such interests for Securities of such series and of like tenor of any authorized form and denomination and the circumstances under which any such exchanges may occur, if other than in the manner provided in Section 305, and, if Registered Securities of or within the series are to be issuable as a global Security, the identity of the depositary for such series;

(17) the date as of which any temporary global Security representing Outstanding Securities of or within the series shall be dated if other than the date of original issuance of the first Security of the series to be issued;

(18) the Person to whom any interest on any Registered Security of the series shall be payable, if other than the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, the manner in which, or the Person to whom, any interest payable on a temporary global Security on an Interest Payment Date will be paid if other than in the manner provided in Section 304;

(19) the applicability, if any, of Article Sixteen, Sections 1402 and/or 1403 to the Securities of or within the series and any provisions in modifications of, in addition to or in lieu of any of the provisions of Article Fourteen;

(20) if the Securities of such series are to be issuable in definitive form (whether upon original issue or upon exchange of a temporary Security of such series) only upon receipt of certain certificates or other documents or satisfaction of other conditions, then the form and/or terms of such certificates, documents or conditions;

(21) if the Securities of or within the series are to be issued upon the exercise of debt warrants, the time, manner and place for such Securities to be authenticated and delivered;

(22) whether and under what circumstances the Company will pay Additional Amounts as contemplated by Section 1011 on the Securities of or within the series to any Holder who is not a United States person (including any modification to the definition of such term) in respect of any tax, assessment or governmental charge and, if so, whether the Company will have the option to redeem such Securities rather than pay such Additional Amounts (and the terms of any such option); and

(23) any other terms of the series (which terms shall not be inconsistent with the provisions of this Indenture).

All Securities of any one series and the Guarantees appertaining thereto, shall be substantially identical except, in the case of Registered Securities issued in global form, as to denomination and except as may otherwise be provided in or pursuant to such Board Resolution or in any such indenture supplemental hereto. All Securities of any one series need not be issued at the same time and, unless otherwise provided, a series may be reopened, without the consent of the Holders, for issuances of additional Securities of such series.

If any of the terms of the Securities of any series and Guarantees appertaining thereto are established by action taken pursuant to one or more Board Resolutions or supplemental indentures, a copy of an appropriate record of such action(s) shall be certified by the Secretary or

an Assistant Secretary of the Company and delivered to the Trustee at or prior to the delivery of the Company Order for authentication and delivery of such Securities.

SECTION 302. Denominations. The Securities of each series shall be issuable in such denominations as shall be specified as contemplated by Section 301. With respect to Securities of any series denominated in Dollars, in the absence of any such provisions with respect to the Securities of any series, the Registered Securities of such series, other than Registered Securities issued in global form (which may be of any denomination), shall be issuable in denominations of $1,000 and any integral multiple thereof.

SECTION 303. Execution, Authentication, Delivery and Dating. The Securities shall be executed on behalf of the Company by its General Partner by such General Partner's Chairman, Vice Chairman, President, Chief Executive Officer, co-Chief Executive Officer, Chief Financial Officer, any Managing Director or any Vice President. If a Guarantor is a corporation, its Guarantee shall be executed on behalf of such Guarantor by its Chairman, Vice Chairman, President, Chief Executive Officer, co-Chief Executive Officer, Chief Financial Officer, any Managing Director or any Vice President and, if a Guarantor is a partnership or a limited liability company, its Guarantee shall be executed on behalf of such Guarantor by the Chairman, Vice Chairman, President, Chief Executive Officer, co-Chief Executive Officer, Chief Financial Officer, any Managing Director or any Vice President of its general partner or manager, as applicable. The signature of any of these officers on the Securities or Guarantees may be manual or facsimile signatures of the present or any future such authorized officer and may be imprinted or otherwise reproduced on the Securities or the Guarantees.

Securities or Guarantees appertaining thereto bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Company's General Partner, Guarantors (or the general partner or manager of such Guarantor) or any successor of the Company or any Guarantor, as applicable, shall bind the Company or the applicable Guarantor, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication, as applicable, and delivery of such Securities or Guarantees or did not hold such offices at the date of such Securities or Guarantees.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities of any series, executed by the Company to the Trustee for authentication, together with a Company Order for the authentication and delivery of such Securities, and the Trustee in accordance with the Company Order shall authenticate and deliver such Securities.

If all of the Securities of any series are not to be issued at one time and if the Board Resolution or supplemental indenture establishing such series shall so permit, such Company Order may set forth procedures acceptable to the Trustee for the issuance of such Securities and determining the terms of particular Securities of such series, such as interest rate or formula, maturity date, date of issuance and date from which interest shall accrue.

In authenticating such Securities, and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive, and (subject to TIA Section 315(a) through 315(d)) shall be fully protected in relying upon:

(i) an Opinion of Counsel complying with Section 102 and stating that:

(a) the form or forms of such Securities and Guarantees have been, or will have been upon compliance with such procedures as may be specified therein, established in conformity with the provisions of this Indenture;

(b) the terms of such Securities and Guarantees have been, or will have been upon compliance with such procedures as may be specified therein, established in conformity with the provisions of this Indenture; and

(c) such Securities, when completed pursuant to such procedures as may be specified therein, and executed and delivered by the Company to the Trustee for authentication in accordance with this Indenture, authenticated and delivered by the Trustee in accordance with this Indenture and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute legal, valid and binding obligations of the Company, enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization and other similar laws of general applicability relating to or affecting the enforcement of creditors' rights generally and to general equitable principles and to such other matters as may be specified therein; and

(ii) an Officers' Certificate complying with Section 102 and stating that all conditions precedent provided for in this Indenture relating to the issuance of such Securities and Guarantees appertaining thereto have been, or will have been upon compliance with such procedures as may be specified therein, complied with and that, to the best of the knowledge of the signers of such certificate, no Event of Default with respect to such Securities shall have occurred and be continuing.

The Trustee shall not be required to authenticate such Securities if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, duties, obligations or immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee.

Notwithstanding the provisions of Section 301 and of the preceding paragraph, if all the Securities of any series and Guarantees appertaining thereto are not to be issued at one time, it shall not be necessary to deliver a Company Order, an Opinion of Counsel or an Officers' Certificate otherwise required pursuant to the preceding paragraph at the time of issuance of each Security of such series, but such order, opinion and certificate, with appropriate modifications to cover such future issuances, shall be delivered at or before the time of issuance of the first Security of such series.

Each Registered Security shall be dated the date of its authentication.

No Security or Guarantee appertaining thereto shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security or the Security to which such Guarantee appertains a certificate of authentication substantially in the form provided for herein duly executed by the Trustee by manual signature of an authorized officer, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder and is entitled to the benefits of this Indenture. Notwithstanding the foregoing, if any Security shall have been authenticated and delivered hereunder but never issued and sold by the Company, and the Company shall deliver such Security to the Trustee for cancellation as provided in Section 309 together with a written statement (which need not comply with Section 102 and need not be accompanied by an Opinion of Counsel) stating that such Security has never been issued or sold by the Company, for all purposes of this Indenture such Security shall be deemed never to have been authenticated and delivered hereunder and shall never be entitled to the benefits of this Indenture.

SECTION 304. Temporary Securities. Pending the preparation of definitive Securities of any series, the Company may execute, and upon Company Order the Trustee shall authenticate and deliver, temporary Securities which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities in lieu of which they are issued, in registered form, and with such appropriate insertions, omissions, substitutions and other variations as the officers executing such Securities may determine, as evidenced by their execution of such Securities. In the case of Securities of any series, such temporary Securities may be in global form.

If temporary Securities of any series are issued, the Company will cause definitive Securities of that series to be prepared without unreasonable delay. After the preparation of definitive Securities of such series, the temporary Securities of such series shall be exchangeable for definitive Securities of such series upon surrender of the temporary Securities of such series at the office or agency of the Company in a Place of Payment for that series, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities of any series, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Securities of the same series of authorized denominations. Until so exchanged, the temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of such series.

SECTION 305. Registration, Registration of Transfer and Exchange. The Company shall cause to be kept at the Corporate Trust Office of the Trustee or in any office or agency of the Company in a Place of Payment a register for each series of Securities (the registers maintained in such office or in any such office or agency of the Company in a Place of Payment being herein sometimes referred to collectively as the “Security Register”) in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Registered Securities and of transfers of Registered Securities. The Security Register shall be in

written form or any other form capable of being converted into written form within a reasonable time. The Trustee, at its Corporate Trust Office, is hereby initially appointed "Security Registrar" for the purpose of registering Registered Securities and transfers of Registered Securities on such Security Register as herein provided. In the event that the Trustee shall cease to be Security Registrar, it shall have the right to examine the Security Register at all reasonable times.

Subject to the provisions of this Section 305, upon surrender for registration of transfer of any Registered Security of any series at any office or agency of the Company in a Place of Payment for that series, the Company shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Registered Securities of the same series, of any authorized denominations and of a like aggregate principal amount, being a number not contemporaneously outstanding, and containing identical terms and provisions.

Subject to the provisions of this Section 305, at the option of the Holder, Registered Securities of any series may be exchanged for other Registered Securities of the same series, of any authorized denomination or denominations and of a like aggregate principal amount, containing identical terms and provisions, upon surrender of the Registered Securities to be exchanged at any such office or agency. Whenever any such Registered Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Registered Securities which the Holder making the exchange is entitled to receive.

Notwithstanding the foregoing, except as otherwise specified as contemplated by Section 301, any permanent global Security shall be exchangeable only as provided in this paragraph. If the depositary for any permanent global Security is DTC, then, unless the terms of such global Security expressly permit such global Security to be exchanged in whole or in part for definitive Securities, a global Security may be transferred, in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC, or to a successor to DTC for such global Security selected and approved by the Company or to a nominee of such successor to DTC. If at any time DTC notifies the Company that it is unwilling or unable to continue as depositary for the applicable global Security or Securities or if at any time DTC ceases to be a clearing agency registered under the Exchange Act if so required by applicable law or regulation, the Company shall appoint a successor depositary with respect to such global Security or Securities. If (x) a successor depositary for such global Security or Securities is not appointed by the Company within 90 days after the Company receives such notice or becomes aware of such unwillingness, inability or ineligibility, (y) an Event of Default has occurred and is continuing and the beneficial owners representing a majority in principal amount of the applicable series of Securities represented by such global Security or Securities advise DTC to cease acting as depositary for such global Security or Securities or (z) the Company, in its sole discretion, determines at any time that all Outstanding Securities (but not less than all) Securities of any series issued or issuable in the form of one or more global Securities shall no longer be represented by such global Security or Securities (provided, however, the Company may not make such determination during the 40-day restricted period provided by Regulation S under the Securities

Act or during any other similar period during which the Securities must be held in global form as may be required by the Securities Act), then upon surrender of the global Security or Securities appropriately endorsed the Company shall execute, and the Trustee shall authenticate and deliver definitive Securities of like series, rank, tenor and terms in definitive form in an aggregate principal amount equal to the principal amount of such global Security or Securities. If any beneficial owner of an interest in a permanent global Security is otherwise entitled to exchange such interest for Securities of such series and of like tenor and principal amount of another authorized form and denomination, as specified as contemplated by Section 301 and provided that any applicable notice provided in the permanent global Security shall have been given, then without unnecessary delay but in any event not earlier than the earliest date on which such interest may be so exchanged, upon surrender of the global Security or Securities appropriately endorsed the Company shall execute, and the Trustee shall authenticate and deliver definitive Securities in aggregate principal amount equal to the principal amount of such beneficial owner's interest in such permanent global Security. On or after the earliest date on which such interests may be so exchanged, such permanent global Security shall be surrendered for exchange by DTC or such other depositary as shall be specified in the Company Order with respect thereto to the Trustee, as the Company's agent for such purpose; provided, however, that no such exchanges may occur during a period beginning at the opening of business 15 days before any selection of Securities to be redeemed and ending on the relevant Redemption Date if the Security for which exchange is requested may be among those selected for redemption. If a Registered Security is issued in exchange for any portion of a permanent global Security after the close of business at the office or agency where such exchange occurs on (i) any Regular Record Date and before the opening of business at such office or agency on the relevant Interest Payment Date, or (ii) any Special Record Date and the opening of business at such office or agency on the related proposed date for payment of Defaulted Interest, interest or Defaulted Interest, as the case may be, will not be payable on such Interest Payment Date or proposed date for payment, as the case may be, in respect of such Registered Security, but will be payable on such Interest Payment Date or proposed date for payment, as the case may be, only to the Person to whom interest in respect of such portion of such permanent global Security is payable in accordance with the provisions of this Indenture.

All Securities issued upon any registration of transfer or exchange of Securities shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Securities surrendered upon such registration of transfer or exchange.

Every Registered Security presented or surrendered for registration of transfer or for exchange or redemption shall be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange of 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 any registration of transfer or

exchange of Securities, other than exchanges pursuant to Section 304, 906, 1107 or 1305 not involving any transfer.

The Company or the Trustee, as applicable, shall not be required (i) to issue, register the transfer of or exchange any Security if such Security may be among those selected for redemption during a period beginning at the opening of business 15 days before selection of the Securities to be redeemed under Section 1103 and ending at the close of business on the day of the mailing of the relevant notice of redemption or (ii) to register the transfer of or exchange any Registered Security so selected for redemption in whole or in part, except, in the case of any Registered Security to be redeemed in part, the portion thereof not to be redeemed, or (iii) to issue, register the transfer of or exchange any Security which has been surrendered for repayment at the option of the Holder, except the portion, if any, of such Security not to be so repaid.

SECTION 306. Mutilated, Destroyed, Lost and Stolen Securities. If any mutilated Security or a Security with a mutilated Guarantee appertaining to it is surrendered to the Trustee or the Company, together with, in proper cases, such security or indemnity as may be required by the Company or the Trustee to save each of them or any agent of either of them harmless, the Company and the applicable Guarantor shall execute and the Trustee shall authenticate, as applicable, and deliver in exchange therefor a new Security of the same series and principal amount, containing identical terms and provisions and bearing a number not contemporaneously outstanding, with Guarantees corresponding to the Guarantees appertaining to the surrendered Security.

If there shall be delivered to the Company and to the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security or Guarantee, and (ii) such security or indemnity as may be required by them to save each of them and any agent of any of them harmless, then, in the absence of notice to the Company or the Trustee that such Security or Guarantee has been acquired by a bona fide purchaser, the Company and the applicable Guarantor shall execute and upon its request the Trustee shall authenticate and deliver, in lieu of any such destroyed, lost or stolen Security or in exchange for the Security to which a destroyed, lost or stolen Guarantee appertains, a new Security of the same series and principal amount, containing identical terms and provisions and bearing a number not contemporaneously outstanding, with Guarantees corresponding to the Guarantees appertaining to such destroyed, lost or stolen Security.

Notwithstanding the provisions of the previous two paragraphs, in case any such mutilated, destroyed, lost or stolen Security has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security, pay such Security.

Upon the issuance of any new Security under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Security of any series with its Guarantee issued pursuant to this Section in lieu of any destroyed, lost or stolen Security, or in exchange for a Security to which a destroyed, lost or stolen Guarantee appertains, shall constitute an original additional contractual obligation of the Company and the applicable Guarantor, whether or not the destroyed, lost or stolen Security and its Guarantee or the destroyed, lost or stolen Guarantee shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of that series and their Guarantees duly issued hereunder.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities or Guarantees.

SECTION 307. Payment of Interest; Interest Rights Preserved. Except as otherwise specified with respect to a series of Securities in accordance with the provisions of Section 301, interest on any Registered Security that is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest at the office or agency of the Company maintained for such purpose pursuant to Section 1002; provided, however, that each installment of interest on any Registered Security may at the Company's option be paid by (i) mailing a check for such interest, payable to or upon the written order of the Person entitled thereto pursuant to Section 308, to the address of such Person as it appears on the Security Register or (ii) transfer to an account maintained by the payee located inside the United States.

Unless otherwise provided as contemplated by Section 301, every permanent global Security will provide that interest, if any, payable on any Interest Payment Date will be paid to DTC with respect to that portion of such permanent global Security held for its account by Cede & Co. or the Common Depositary, as the case may be, for the purpose of permitting such party to credit the interest received by it in respect of such permanent global Security to the accounts of the beneficial owners thereof.

Except as otherwise specified with respect to a series of Securities in accordance with the provisions of Section 301, any interest on any Registered Security of any series that is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the registered Holder thereof on the relevant Regular Record Date by virtue of having been such Holder, and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in clause (1) or (2) below:

(1) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Registered Securities of such series (or their respective Predecessor Securities) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Registered Security of such series and the date of the

proposed payment (which shall not be less than 20 days after such notice is received by the Trustee), and at the same time the Company shall deposit with the Trustee an amount of money in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series) equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit on or prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause provided. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of Registered Securities of such series at his address as it appears in the Security Register not less than 10 days prior to such Special Record Date. The Trustee may, in its discretion, in the name and at the expense of the Company, cause a similar notice to be published at least once in an Authorized Newspaper in each place of payment, but such publications shall not be a condition precedent to the establishment of such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the Persons in whose names the Registered Securities of such series (or their respective Predecessor Securities) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following clause (2).

(2) The Company may make payment of any Defaulted Interest on the Registered Securities of any series in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

Subject to the foregoing provisions of this Section and Section 305, each Security delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Security shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Security.

SECTION 308. Persons Deemed Owners. Prior to due presentment of a Registered Security for registration of transfer, the Company, the Guarantors, the Trustee and any agent of the Company, the Guarantors or the Trustee may treat the Person in whose name such Registered Security is registered as the owner of such Security for the purpose of receiving payment of principal of (and premium or Make-Whole Amount, if any), and (subject to Sections 305 and

307) interest on, such Registered Security and for all other purposes whatsoever, whether or not such Registered Security be overdue, and neither the Company, the Guarantors, the Trustee nor any agent of the Company, the Guarantors or the Trustee shall be affected by notice to the contrary.

None of the Company, the Trustee, any Paying Agent or the Security Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of a Security in global form or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Notwithstanding the foregoing, with respect to any global Security, nothing herein shall prevent the Company, the Trustee or any agent of the Company or the Trustee, from giving effect to any written certification, proxy or other authorization furnished by any depositary, as a Holder, with respect to such global Security or impair, as between such depositary and owners of beneficial interests in such global Security, the operation of customary practices governing the exercise of the rights of such depositary (or its nominee) as Holder of such global Security.

SECTION 309. Cancellation. All Securities surrendered for payment, redemption, repayment at the option of the Holder, registration of transfer or exchange or for credit against any sinking fund payment shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee, and any such Securities and Securities surrendered directly to the Trustee for any such purpose (as well as the Guarantees appertaining thereto) shall be promptly cancelled by it. The Company may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and may deliver to the Trustee (or to any other Person for delivery to the Trustee) for cancellation any Securities previously authenticated hereunder which the Company has not issued and sold, and all Securities so delivered shall be promptly cancelled by the Trustee. If the Company shall so acquire any of the Securities, however, such acquisition shall not operate as a redemption or satisfaction of the indebtedness represented by such Securities unless and until the same are surrendered to the Trustee for cancellation. No Securities shall be authenticated in lieu of or in exchange for any Securities cancelled as provided in this Section, except as expressly permitted by this Indenture. Cancelled Securities held by the Trustee shall be destroyed by the Trustee and the Trustee shall deliver a certificate of such destruction to the Company, unless by a Company Order the Company directs their return to it.

SECTION 310. Computation of Interest. Except as otherwise specified as contemplated by Section 301 with respect to Securities of any series, interest on the Securities of each series shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

ARTICLE FOUR

SATISFACTION AND DISCHARGE

SECTION 401. Satisfaction and Discharge of Indenture. This Indenture shall upon Company Request cease to be of further effect with respect to any series of Securities specified

in such Company Request (except as to any surviving rights of registration of transfer or exchange of Securities of such series herein expressly provided for and any right to receive Additional Amounts, as provided in Section 1011), and the Trustee, upon receipt of a Company Order, and at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture as to such series when

(1) either

(A) all Securities of such series theretofore authenticated and delivered and all Guarantees appertaining thereto (other than (i) Securities and Guarantees of such series which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 306 and (ii) Securities and Guarantees of such series for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company for discharge from such trust, as provided in Section 1003) have been delivered to the Trustee for cancellation; or

(B) all Securities of such series and, in the case of (i) and (ii) below, any Guarantees appertaining thereto not theretofore delivered to the Trustee for cancellation

(i) have become due and payable, or

(ii) will become due and payable at their Stated Maturity within one year, or

(iii) if redeemable at the option of the Company, are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company,

and the Company, in the case of (i), (ii) or (iii) above, has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust for the purpose an amount in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable, sufficient to pay and discharge the entire indebtedness on such Securities and such Guarantees not theretofore delivered to the Trustee for cancellation, for principal (and premium or Make-Whole Amount, if any) and interest, and any Additional Amounts with respect thereto, to the date of such deposit (in the case of Securities which have become due and payable) or the Stated Maturity or Redemption Date, as the case may be;

(2) The Company has paid or caused to be paid all other sums payable hereunder by the Company; and

(3) The Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture as to such series have been complied with.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee and any predecessor Trustee under Section 606, the obligations of the Company to any Authenticating Agent under Section 611 and, if money shall have been deposited with and held by the Trustee pursuant to subclause (B) of clause (1) of this Section, the obligations of the Trustee under Section 402 and the last paragraph of Section 1003, shall survive.

SECTION 402. Application of Trust Funds. Subject to the provisions of the last paragraph of Section 1003, all money deposited with the Trustee pursuant to Section 401 shall be held in trust and applied by it, in accordance with the provisions of the Securities, the Guarantees and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium or Make-Whole Amount, if any), and any interest and Additional Amounts for whose payment such money has been deposited with or received by the Trustee, but such money need not be segregated from other funds except to the extent required by law.

ARTICLE FIVE

REMEDIES

SECTION 501. Events of Default. Subject to any modifications, additions or deletions relating to any series of Securities as contemplated pursuant to Section 301, "Event of Default," wherever used herein with respect to any particular series of Securities, means any one of the following events (whatever the reason for such Event of Default and whether or not it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) default in the payment of any interest upon or any Additional Amounts payable in respect of any Security of or within that series, when such interest or Additional Amounts becomes due and payable, and continuance of such default for a period of 30 days; or

(2) default in the payment of the principal of (or premium or Make-Whole Amount, if any, on) any Security of that series when due and payable at its Maturity; or

(3) default in the deposit of any sinking fund payment, when and as due by the terms of any Security of that series; or

(4) default in the performance, or breach, of any covenant or warranty of the Company in this Indenture with respect to any Security of that series (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section specifically dealt with), and continuance of such default or breach for a period of 60 days after there has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in principal amount of the Outstanding Securities of that series a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder; or

(5) a default under any bond, debenture, note or other evidence of indebtedness of the Company, or under any mortgage, indenture or other instrument of the Company (including a default with respect to Securities of any series other than that series) under which there may be issued or by which there may be secured any indebtedness of the Company (or by any Subsidiary, the repayment of which the Company has guaranteed or for which the Company is directly responsible or liable as obligor or guarantor), whether such indebtedness now exists or shall hereafter be created, which default shall constitute a failure to pay an aggregate principal amount exceeding $50,000,000 of such indebtedness when due and payable after the expiration of any applicable grace period with respect thereto and shall have resulted in such indebtedness in an aggregate principal amount exceeding $50,000,000 becoming or being declared due and payable prior to the date on which it would otherwise have become due and payable, without such indebtedness having been discharged, or such acceleration having been rescinded or annulled, within a period of 10 days after there shall have been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 10% in principal amount of the Outstanding Securities of that series a written notice specifying such default and requiring the Company to cause such indebtedness to be discharged or cause such acceleration to the rescinded or annulled and stating that such notice is a "Notice of Default" hereunder; or

(6) the entry by a court of competent jurisdiction of final judgments, orders or decrees against the Company or any of its Subsidiaries in an aggregate amount (excluding amounts covered by insurance) in excess of $50,000,000 and such judgments, orders or decrees remain undischarged, unstayed and unsatisfied in an aggregate amount (excluding amounts covered by insurance) in excess of $50,000,000 for a period of 60 consecutive days; or

(7) the Company, the General Partner or any Significant Subsidiary pursuant to or within the meaning of any Bankruptcy Law:

(A) commences a voluntary case,

(B) consents to the entry of an order for relief against it in an involuntary case,

(C) consents to the appointment of a Custodian of it or for all or substantially all of its property, or

(D) makes a general assignment for the benefit of its creditors; or

(8) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against the Company, the General Partner or any Significant Subsidiary in an involuntary case,

(B) appoints a Custodian of the Company, the General Partner or any Significant Subsidiary or for all or substantially all of either of its property, or

(C) orders the liquidation of the Company, the General Partner or any Significant Subsidiary,

and the order or decree remains unstayed and in effect for 90 days; or

(9) any other Event of Default provided with respect to Securities of that series.

As used in this Section 501, the term “Bankruptcy Law” means Title 11, U.S. Code or any similar Federal or state law for the relief of debtors and the term “Custodian” means any receiver, trustee, assignee, liquidator or other similar official under any Bankruptcy Law.

SECTION 502. Acceleration of Maturity; Rescission and Annulment. If an Event of Default with respect to Securities of any series at the time Outstanding occurs and is continuing, then and in every such case, unless the principal of all of the Outstanding Securities of such series shall already have become due and payable, the Trustee or the Holders of not less than 25% in principal amount of the Outstanding Securities of that series may declare the principal (or, if any Securities are Original Issue Discount Securities or Indexed Securities, such portion of the principal as may be specified in the terms thereof) of, and the Make-Whole Amount, if any, on, all the Securities of that series to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by the Holders), and upon any such declaration such principal or specified portion thereof shall become immediately due and payable.

At any time after such a declaration of acceleration with respect to Securities of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Holders of a majority in principal amount of the Outstanding Securities of that series, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if:

(1) The Company has paid or deposited with the Trustee a sum sufficient to pay in the currency, currency unit or composite currency in which the Securities of such

series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series):

(A) all overdue installments of interest on and any Additional Amounts payable in respect of all Outstanding Securities of that series;

(B) the principal of (and premium or Make-Whole Amount, if any, on) any Outstanding Securities of that series which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates borne by or provided for in such Securities;

(C) to the extent that payment of such interest is lawful, interest upon overdue installments of interest and any Additional Amounts at the rate or rates borne by or provided for in such Securities; and

(D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and

(2) all Events of Default with respect to Securities of that series, other than the nonpayment of the principal of (or premium or Make-Whole Amount, if any) or interest on Securities of that series which have become due solely by such declaration of acceleration, have been cured or waived as provided in Section 513.

No such rescission shall affect any subsequent default or impair any right consequence thereon.

SECTION 503. Collection of Indebtedness and Suits for Enforcement by Trustee. The Company covenants that if:

(1) default is made in the payment of any installment of interest or Additional Amounts, if any, on any Security of any series when such interest or Additional Amount becomes due and payable and such default continues for a period of 30 days, or

(2) default is made in the payment of the principal of (or premium or Make-Whole Amount, if any, on) any Security of any series at its Maturity,

then the Company will, upon demand of the Trustee, pay to the Trustee, for the benefit of the Holders of such Securities of such series, the whole amount then due and payable on such Securities for principal (and premium or Make-Whole Amount, if any) and interest and Additional Amount, with interest upon any overdue principal (and premium or Make-Whole Amount, if any) and, to the extent that payment of such interest shall be legally enforceable, upon any overdue installments of interest or Additional Amounts, if any, at the rate or rates borne by or provided for in such Securities, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

If the Company fails to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, and may prosecute such proceeding to judgment or final decree, and may enforce the same against the Company or any Guarantor or any other obligor upon such Securities or Guarantees of such series and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Company, any Guarantor or any other obligor upon such Securities or Guarantees of such series, wherever situated.

If an Event of Default with respect to Securities of any series occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of Securities of such series and any related Guarantees by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

SECTION 504. Trustee May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Company, any Guarantor or any other obligor upon the Securities or the property of the Company, any Guarantor or of such other obligor or their creditors, the Trustee (irrespective of whether the principal of the Securities of any series shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Company or any Guarantor for the payment of overdue principal, premium or Make-Whole Amount, if any, or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(i) to file and prove a claim for the whole amount, or such lesser amount as may be provided for in the Securities of such series, of principal (and premium or Make-Whole Amount, if any) and interest and Additional Amounts, if any, owing and unpaid in respect of the Securities or Guarantees and to file such other papers or documents and take such other action, including participating as a member of any official creditors committee appointed in the matter, as it may deem necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the Holders allowed in such judicial proceeding, and

(ii) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator (or other similar official) in any such judicial proceeding is hereby authorized by each Holder of Securities of such series and Guarantees to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee and any

predecessor Trustee, their agents and counsel, and any other amounts due the Trustee or any predecessor Trustee under Section 606.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder of a Security or Guarantee any plan of reorganization, arrangement, adjustment or composition affecting the Securities or Guarantees or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder of a Security or Guarantee in any such proceeding.

SECTION 505. Trustee May Enforce Claims Without Possession of Securities or Guarantees. All rights of action and claims under this Indenture or any of the Securities or Guarantees may be prosecuted and enforced by the Trustee without the possession of any of the Securities or Guarantees or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Securities and Guarantees in respect of which such judgment has been recovered.

SECTION 506. Application of Money Collected. Any money collected by the Trustee pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or premium or Make-Whole Amount, if any) or interest and any Additional Amounts, upon presentation of the Securities or Guarantees, or both, as the case may be, and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of all amounts due the Trustee and any predecessor Trustee under Section 606;

SECOND: To the payment of the amounts then due and unpaid upon the Securities and Guarantees for principal (and premium or Make-Whole Amount, if any) and interest and any Additional Amounts payable, in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the aggregate amounts due and payable on such Securities and Guarantees for principal (and premium or Make-Whole Amount, if any), interest and Additional Amounts, respectively; and

THIRD: To the payment of the remainder, if any, to the Company.

SECTION 507. Limitation on Suits. No Holder of any Security of any series shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless:

(1) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Securities of that series;

(2) the Holders of not less than 25% in principal amount of the Outstanding Securities of that series shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;

(4) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(5) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Securities of that series;

it being understood and intended that no one or more of such Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other of such Holders, or to obtain or to seek to obtain priority or preference over any other of such Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all such Holders.

SECTION 508. Unconditional Right of Holders to Receive Principal, Premium or Make-Whole Amount, if any, Interest and Additional Amounts. Notwithstanding any other provision in this Indenture, the Holder of any Security shall have the right which is absolute and unconditional to receive payment of the principal of (and premium or Make-Whole Amount, if any) and (subject to Sections 305 and 307) interest on, and any Additional Amounts in respect of, such Security on the respective due dates expressed in such Security (or, in the case of redemption, on the Redemption Date) and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Holder.

SECTION 509. Restoration of Rights and Remedies. If the Trustee or any Holder of a Security or Guarantee has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case the Company, each Guarantor, the Trustee and the Holders of Securities and Guarantees shall, subject to any determination in such proceeding, be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

SECTION 510. Rights and Remedies Cumulative. Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities or Guarantees in the last paragraph of Section 306, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders of Securities or Guarantees is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy

hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

SECTION 511. Delay or Omission Not Waiver. No delay or omission of the Trustee or of any Holder of any Security to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders of Securities, as the case may be.

SECTION 512. Control by Holders of Securities. The Holders of not less than a majority in principal amount of the Outstanding Securities of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee with respect to the Securities of such series, provided that

(1) such direction shall not be in conflict with any rule of law or with this Indenture,

(2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and

(3) the Trustee need not take any action which might involve it in personal liability or be unduly prejudicial to the Holders of Securities of such series not joining therein (but the Trustee shall have no obligation as to the determination of such undue prejudice).

SECTION 513. Waiver of Past Defaults. The Holders of not less than a majority in principal amount of the Outstanding Securities of any series may on behalf of the Holders of all the Securities of such series waive any past default hereunder with respect to such series and its consequences, except a default

(1) in the payment of the principal of (or premium or Make-Whole Amount, if any) or interest on or Additional Amounts payable in respect of any Security of such series, or

(2) in respect of a covenant or provision hereof which under Article Nine cannot be modified or amended without the consent of the Holder of each Outstanding Security of such series affected.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

SECTION 514. Waiver of Usury, Stay or Extension Laws. The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any usury, stay or extension law wherever enacted, nor or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

SECTION 515. Undertaking for Costs. All parties to this Indenture agree, and each Holder of any Security by his acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken or omitted by it as Trustee, the filing by any party litigant in such suit of any undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Trustee, to any suit instituted by any Holder, or group of Holders, holding in the aggregate more than 10% in principal amount of the Outstanding Securities, or to any suit instituted by any Holder for the enforcement of the payment of the principal of (or premium or Make-Whole Amount, if any) or interest on or Additional Amounts payable with respect to any Security on or after the respective Stated Maturities expressed in such Security (or, in the case of redemption, on or after the Redemption Date).

ARTICLE SIX

THE TRUSTEE

SECTION 601. Notice of Defaults. Within 90 days after the occurrence of any default hereunder with respect to the Securities of any series, the Trustee shall transmit in the manner and to the extent provided in TIA Section 313(c), notice of such default hereunder known to the Trustee, unless such default shall have been cured or waived; provided, however, that, except in the case of a default in the payment of the principal of (or premium or Make-Whole Amount, if any) or interest on or any Additional Amounts with respect to any Security of such series, or in the payment of any sinking fund installment with respect to the Securities of such series, the Trustee shall be protected in withholding such notice if and so long as Responsible Officers of the Trustee in good faith determine that the withholding of such notice is in the interests of the Holders of the Securities of such series; and provided further that in the case of any default or breach of the character specified in Section 501(4) with respect to the Securities of such series, no such notice to Holders shall be given until at least 60 days after the occurrence thereof. For the purpose of this Section, the term "default" means any event which is, or after notice or lapse of time or both would become, an Event of Default with respect to the Securities of such series.

SECTION 602. Certain Rights of Trustee. Subject to the provisions of TIA Section 315(a) through 315(d):

(1) the Trustee shall perform only such duties as are expressly undertaken by it to perform under this Indenture;

(2) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(3) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Company Request or Company Order (other than delivery of any Security and Guarantees appertaining thereto to the Trustee for authentication and delivery pursuant to Section 303 which shall be sufficiently evidenced as provided therein) and any resolution of the Board of Directors may be sufficiently evidenced by a Board Resolution;

(4) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officers' Certificate;

(5) the Trustee may consult with counsel and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(6) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders of Securities of any series pursuant to this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(7) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney;

(8) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee

shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder;

(9) the Trustee shall not be liable for any action taken, suffered or omitted by it in good faith and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture;

(10) The Trustee shall not be deemed to have knowledge of any event or fact upon the occurrence of which it may be required to take action hereunder unless it has actual knowledge of the occurrence of such event or fact; and

(11) The Trustee shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

SECTION 603. Not Responsible for Recitals or Issuance of Securities. The recitals contained herein and in the Securities and Guarantees, except the Trustee's certificate of authentication, shall be taken as the statements of the Company and each Guarantor, as applicable, and neither the Trustee nor any Authenticating Agent assumes any responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Securities or Guarantees, except that the Trustee represents that it is duly authorized to execute and deliver this Indenture, authenticate the Securities and perform its obligations hereunder. Neither the Trustee nor any Authenticating Agent shall be accountable for the use or application by the Company of Securities or the proceeds thereof.

SECTION 604. May Hold Securities and Guarantees. The Trustee, any Paying Agent, Security Registrar, Authenticating Agent or any other agent of the Company, in its individual or any other capacity, may become the owner or pledgee of Securities and Guarantees and, subject to TIA Sections 310(b) and 311, may otherwise deal with the Company or any Guarantor with the same rights it would have if it were not Trustee, Paying Agent, Security Registrar, Authenticating Agent or such other agent.

SECTION 605. Money Held in Trust. Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on, or investment of, any money received by it hereunder except as otherwise agreed with and for the sole benefit of the Company.

SECTION 606. Compensation and Reimbursement. The Company agrees:

(1) to pay to the Trustee from time to time reasonable compensation for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(2) except as otherwise expressly provided herein, to reimburse each of the Trustee and any predecessor Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by it in connection with its administration of the trust hereunder (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except to the extent any such expense, disbursement or advance may be attributable to its negligence or bad faith; and

(3) to indemnify each of the Trustee and any predecessor Trustee for, and to hold it harmless against, any loss, liability or expense, arising out of or in connection with the acceptance or administration of the trust or trusts or the performance of its duties hereunder, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder except to the extent any such loss, liability or expense may be attributable to its own negligence or bad faith.

As security for the performance of the obligations of the Company under this Section, the Trustee shall have a lien prior to the Securities upon all property and funds held or collected by the Trustee as such, except funds held in trust for the payment of principal of (or premium or Make-Whole Amount, if any) or interest on particular Securities.

The provisions of this Section shall survive the termination of this Indenture.

SECTION 607. Corporate Trustee Required; Eligibility; Conflicting Interests There shall at all times be a Trustee hereunder which shall be eligible to act as Trustee under TIA Section 310(a)(1) and shall have a combined capital and surplus of at least $50,000,000. If such corporation publishes reports of condition at least annually, pursuant to law or the requirements of Federal, State, Territorial or District of Columbia supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

SECTION 608. Resignation and Removal; Appointment of Successor.

(a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee in accordance with the applicable requirements of Section 609.

(b) The Trustee may resign at any time with respect to the Securities of one or more series by giving written notice thereof to the Company. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(c) The Trustee may be removed at any time with respect to the Securities of any series by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series delivered to the Trustee and to the Company.

(d) If at any time:

(1) the Trustee shall fail to comply with the provisions of TIA Section 310(b) after written request therefor by the Company or by any Holder of a Security who has been a bona fide Holder of a Security for at least six months, or

(2) the Trustee shall cease to be eligible under Section 607(a) and shall fail to resign after written request therefor by the Company or by any Holder of a Security who has been a bona fide Holder of a Security for at least six months, or

(3) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (i) the Company by or pursuant to a Board Resolution may remove the Trustee and appoint a successor Trustee with respect to all Securities, or (ii) subject to TIA Section 315(e), any Holder of a Security who has been a bona fide Holder of a Security for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Securities and the appointment of a successor Trustee or Trustees.

(e) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause with respect to the Securities of one or more series, the Company, by or pursuant to a Board Resolution, shall promptly appoint a successor Trustee or Trustees with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Securities of any particular series). If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Securities of any series shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series delivered to the Company and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Trustee with respect to the Securities of such series and to that extent supersede the successor Trustee appointed by the Company. If no successor Trustee with respect to the Securities of any series shall have been so appointed by the Company or the Holders of Securities and accepted appointment in the manner hereinafter provided, any Holder of a Security who has been a bona fide Holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent

jurisdiction for the appointment of a successor Trustee with respect to Securities of such series.

(f) The Company shall give notice of each resignation and each removal of the Trustee with respect to the Securities of any series and each appointment of a successor Trustee with respect to the Securities of any series in the manner provided for notices to the Holders of Securities in Section 106. Each notice shall include the name of the successor Trustee with respect to the Securities of such series and the address of its Corporate Trust Office.

SECTION 609. Acceptance of Appointment by Successor.

(a) In case of the appointment hereunder of a successor Trustee with respect to all Securities, every such successor Trustee shall execute, acknowledge and deliver to the Company and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on request of the Company or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee, and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder, subject nevertheless to its claim, if any, provided for in Section 606.

(b) In case of the appointment hereunder of a successor Trustee with respect to the Securities of one or more (but not all) series, the Company, the retiring Trustee and each successor Trustee with respect to the Securities of one or more series shall execute and deliver an indenture supplemental hereto, pursuant to Article Nine hereof, wherein each successor Trustee shall accept such appointment and which (1) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, each successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates, (2) if the retiring Trustee is not retiring with respect to all Securities, shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (3) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust and that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee; and upon the execution and delivery of such supplemental indenture the resignation or removal of the retiring Trustee shall become effective to the extent

provided therein and each such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates; but, on request of the Company or any successor Trustee, such retiring Trustee shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder with respect to the Securities of that or those series to which the appointment of such successor Trustee relates.

(c) Upon request of any such successor Trustee, the Company shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in paragraph (a) or (b) of this Section, as the case may be.

(d) No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

SECTION 610. Merger, Conversion, Consolidation or Succession to Business. Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities. In case any Securities shall not have been authenticated by such predecessor Trustee, any such successor Trustee may authenticate and deliver such Securities, in either its own name or that of its predecessor Trustee, with the full force and effect which this Indenture provides for the certificate of authentication of the Trustee.

SECTION 611. Appointment of Authenticating Agent. At any time when any of the Securities remain Outstanding, the Trustee may appoint an Authenticating Agent or Agents with respect to one or more series of Securities which shall be authorized to act on behalf of the Trustee to authenticate Securities of such series issued upon exchange, registration of transfer or partial redemption or repayment thereof, and Securities so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Any such appointment shall be evidenced by an instrument in writing signed by a Responsible Officer of the Trustee, a copy of which instrument shall be promptly furnished to the Company. Wherever reference is made in this Indenture to the authentication and delivery of Securities by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an

Authenticating Agent. Each Authenticating Agent shall be acceptable to the Company and, except as may otherwise be provided pursuant to Section 301, shall at all times be a bank or trust company or corporation organized and doing business and in good standing under the laws of the United States of America or of any State or the District of Columbia, authorized under such laws to act as Authenticating Agent, having a combined capital and surplus of not less than $50,000,000 and subject to supervision or examination by Federal or State authorities. If such Authenticating Agent publishes reports of condition at least annually, pursuant to law or the requirements of the aforesaid supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Authenticating Agent shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, such Authenticating Agent shall resign immediately in the manner and with the effect specified in this Section.

Any corporation into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which such Authenticating Agent shall be a party, or any corporation succeeding to the corporate agency or corporate trust business of an Authenticating Agent, shall continue to be an Authenticating Agent, provided such corporation shall be otherwise eligible under this Section, without the execution or filing of any paper or further act on the part of the Trustee or the Authenticating Agent.

An Authenticating Agent for any series of Securities may at any time resign by giving written notice of resignation to the Trustee for such series and to the Company. The Trustee for any series of Securities may at any time terminate the agency of an Authenticating Agent by giving written notice of termination to such Authenticating Agent and to the Company. Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, the Trustee for such series may appoint a successor Authenticating Agent which shall be acceptable to the Company and shall give notice of such appointment to all Holders of Securities of or within the series with respect to which such Authenticating Agent will serve in the manner set forth in Section 106. Any successor Authenticating Agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent herein. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section.

The Company agrees to pay to each Authenticating Agent from time to time reasonable compensation including reimbursement of its reasonable expenses for its services under this Section.

If an appointment with respect to one or more series is made pursuant to this Section, the Securities of such series may have endorsed thereon, in addition to or in lieu of the Trustee's

certificate of authentication, an alternate certificate of authentication substantially in the following form:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: ______________________________,
as Authenticating Agent

By: ______________________________
Authorized Officer

ARTICLE SEVEN

HOLDERS' LISTS AND REPORTS BY TRUSTEE AND COMPANY

SECTION 701. Disclosure of Names and Addresses of Holders. Every Holder of Securities, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company nor the Trustee nor any Authenticating Agent nor any Paying Agent nor any Security Registrar shall be held accountable by reason of the disclosure of any information as to the names and addresses of the Holders of Securities in accordance with TIA Section 312, regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under TIA Section 312(b).

SECTION 702. Reports by Trustee. Within 60 days after February 1 of each year commencing with the first February 1 after the first issuance of Securities pursuant to this Indenture, the Trustee shall transmit by mail to all Holders of Securities as provided in TIA Section 313(c) a brief report dated as of such February 1 if required by TIA Section 313(a).

SECTION 703. Reports by Company.

(a) The Company will:

(1) file with the Trustee, within 15 days after the Company or the General Partner is required to file the same with the Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Company or the General Partner may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Exchange Act; or, if the Company or the General Partner is

not required to file information, documents or reports pursuant to either of such Sections, then it will file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Exchange Act in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations;

(2) file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such additional information, documents and reports with respect to compliance by the Company and the General Partner with the conditions and covenants of this Indenture as may be required from time to time by such rules and regulations; and

(3) transmit by mail to the Holders of Securities, within 30 days after the filing thereof with the Trustee, in the manner and to the extent provided in TIA Section 313(c), such summaries of any information, documents and reports required to be filed by the Company or the General Partner pursuant to paragraphs (1) and (2) of this Section as may be required by rules and regulations prescribed from time to time by the Commission.

(b) Delivery of such reports, information, and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to conclusively rely exclusively on Officers' Certificates).

SECTION 704. Company to Furnish Trustee Names and Addresses of Holders. The Company will furnish or cause to be furnished to the Trustee:

(a) semi-annually, not later than 15 days after the Regular Record Date for interest for each series of Securities, a list, in such form as the Trustee may reasonably require, of the names and addresses of the Holders of Registered Securities of such series as of such Regular Record Date, or if there is no Regular Record Date for interest for such series of Securities, semi-annually, upon such dates as are set forth in the Board Resolution or indenture supplemental hereto authorizing such series, and

(b) at such other times as the Trustee may request in writing, within 30 days after the receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished,

provided, however, that, so long as the Trustee is the Security Registrar, no such list shall be required to be furnished.

ARTICLE EIGHT

CONSOLIDATION, MERGER, SALE, LEASE OR CONVEYANCE

SECTION 801. Consolidations and Mergers of Company and Sales, Leases and Conveyances Permitted Subject to Certain Conditions The Company may consolidate with, or sell, lease or convey all or substantially all of its assets to, or merge with or into any other Person, provided that in any such case, (i) either the Company shall be the continuing entity, or the successor (if other than the Company) entity shall be a Person organized and existing under the laws of the United States or a State thereof and such successor entity shall expressly assume the due and punctual payment of the principal of (and premium or Make-Whole Amount, if any) and any interest (including all Additional Amounts, if any, payable pursuant to Section 1011) on all of the Securities, according to their tenor, and the due and punctual performance and observance of all of the covenants and conditions of this Indenture to be performed by the Company by supplemental indenture, complying with Article Nine hereof, satisfactory to the Trustee, executed and delivered to the Trustee by such Person and (ii) immediately after giving effect to such transaction and treating any indebtedness which becomes an obligation of the Company or any Subsidiary as a result thereof as having been incurred by the Company or such Subsidiary at the time of such transaction, no Event of Default, and no event which, after notice or the lapse of time, or both, would become an Event of Default, shall have occurred and be continuing.

SECTION 802. Rights and Duties of Successor Corporation. In case of any such consolidation, merger, sale, lease or conveyance and upon any such assumption by the successor entity, such successor entity shall succeed to and be substituted for the Company, with the same effect as if it had been named herein as the party of the first part, and the predecessor entity, except in the event of a lease, shall be relieved of any further obligation under this Indenture and the Securities. Such successor entity thereupon may cause to be signed, and may issue either in its own name or in the name of the Company, any or all of the Securities issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee; and, upon the order of such successor entity, instead of the Company, and subject to all the terms, conditions and limitations in this Indenture prescribed, the Trustee shall authenticate and shall deliver any Securities which previously shall have been signed and delivered by the officers of the Company to the Trustee for authentication, and any Securities which such successor entity thereafter shall cause to be signed and delivered to the Trustee for that purpose. All the Securities so issued shall in all respects have the same legal rank and benefit under this Indenture as the Securities theretofore or thereafter issued in accordance with the terms of this Indenture as though all of such Securities had been issued at the date of the execution hereof.

In case of any such consolidation, merger, sale, lease or conveyance, such changes in phraseology and form (but not in substance) may be made in the Securities thereafter to be issued as may be appropriate.

SECTION 803. Officers' Certificate and Opinion of Counsel. Any consolidation, merger, sale, lease or conveyance permitted under Section 801 is also subject to the condition that the Trustee receive an Officers' Certificate and an Opinion of Counsel to the effect that any such consolidation, merger, sale, lease or conveyance, and the assumption by any successor entity, complies with the provisions of this Article and that all conditions precedent herein provided for relating to such transaction have been complied with.

ARTICLE NINE

SUPPLEMENTAL INDENTURES

SECTION 901. Supplemental Indentures Without Consent of Holders. Without the consent of any Holders of Securities, the Company, when authorized by or pursuant to a Board Resolution, the applicable Guarantors and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any of the following purposes:

(1) to evidence the succession of another Person to the Company or any Guarantor and the assumption by any such successor of the covenants of the Company or Guarantor, as applicable, herein and in the Securities or Guarantees contained; or

(2) to add to the covenants of the Company or any Guarantor for the benefit of the Holders of all or any series of Securities (and if such covenants are to be for the benefit of less than all series of Securities, stating that such covenants are expressly being included solely for the benefit of such series) or to surrender any right or power herein conferred upon the Company or any Guarantor; or

(3) to add any additional Events of Default for the benefit of the Holders of all or any series of Securities (and if such Events of Default are to be for the benefit of less than all series of Securities, stating that such Events of Default are expressly being included solely for the benefit of such series); provided, however, that in respect of any such additional Events of Default such supplemental indenture may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such default or may limit the remedies available to the Trustee upon such default or may limit the right of the Holders of a majority in aggregate principal amount of that or those series of Securities to which such additional Events of Default apply to waive such default; or

(4) to add to or change any of the provisions of this Indenture to such extent as shall be necessary to permit or facilitate the issuance of Securities in bearer form, registrable or not registrable as to principal, and with or without interest coupons, or to permit or facilitate the issuance of Securities in uncertificated form; or

(5) to add to, change or eliminate any of the provisions of this Indenture in respect of one or more series of Securities, provided that any such addition, change or elimination (i) shall neither (A) apply to any Security of any series created prior to the execution of such supplemental indenture and entitled to the benefit of such provision nor (B) modify the rights of the Holder of any such Security with respect to such provision or (ii) shall become effective only when there is no such Security Outstanding; or

(6) to secure the Securities or Guarantees; or

(7) to establish the form or terms of Securities of any series as permitted by Sections 201 and 301; or

(8) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Securities of one or more series and to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee; or

(9) to cure any ambiguity, to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Indenture which shall not be inconsistent with the provisions of this Indenture or to make any other changes, provided that in each case, such provisions shall not adversely affect the interests of the Holders of Securities of any series or any related Guarantees in any material respect; or

(10) to close this Indenture with respect to the authentication and delivery of additional series of Securities or to qualify, or maintain qualification of, this Indenture under the TIA; or

(11) to supplement any of the provisions of this Indenture to such extent as shall be necessary to permit or facilitate the defeasance and discharge of any series of Securities pursuant to Sections 401, 1402 and 1403; provided in each case that any such action shall not adversely affect the interests of the Holders of Securities of such series and any related Guarantees or any other series of Securities in any material respect.

SECTION 902. Supplemental Indentures with Consent of Holders. With the consent of the Holders of not less than a majority in principal amount of all Outstanding Securities affected by such supplemental indenture, by Act of said Holders delivered to the Company, the Guarantors and the Trustee, the Company, when authorized by or pursuant to a Board Resolution, the applicable Guarantors and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the Holders of Securities and any related Guarantees under this Indenture; provided, however, that no such supplemental indenture shall, without the consent of the Holder of each Outstanding Security affected thereby:

(1) change the Stated Maturity of the principal of (or premium or Make-Whole Amount, if any, on) or any installment of principal of or interest on, any Security; or reduce the principal amount thereof or the rate or amount of interest thereon or any Additional Amounts payable in respect thereof, or any premium or Make-Whole Amount payable upon the redemption thereof, or change any obligation of the Company to pay Additional Amounts pursuant to Section 1011 (except as contemplated by Section 801(1) and permitted by Section 901(1)), or reduce the amount of the principal of an Original Issue Discount Security or Make-Whole Amount, if any, that would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 502 or the amount thereof provable in bankruptcy pursuant to Section 504; or adversely affect any right of repayment at the option of the Holder of any Security, or change any Place of Payment where, or the currency or currencies, currency unit or units or composite currency or currencies in which, the principal of any Security or any premium or Make-Whole Amount or any Additional Amounts payable in respect thereof or the interest thereon is payable; or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption or repayment at the option of the Holder, on or after the Redemption Date or the Repayment Date, as the case may be); or

(2) reduce the percentage in principal amount of the Outstanding Securities of any series, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver with respect to such series (or compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture, or reduce the requirements of Section 1504 for quorum or voting; or

(3) modify any of the provisions of this Section, Section 513 or Section 1012, except to increase the required percentage to effect such action or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Security affected thereby; or

(4) release any Guarantor from any of its obligations under its Guarantee or this Indenture, except in accordance with the terms of this Indenture.

It shall not be necessary for any Act of Holders under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

A supplemental indenture which changes or eliminates any covenant or other provision of this Indenture which has expressly been included for the benefit of one or more particular series of Securities, or which modifies the rights of the Holders of Securities of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the Holders of Securities of any other series.

SECTION 903. Execution of Supplemental Indentures. In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

SECTION 904. Effect of Supplemental Indentures. Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Securities theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

SECTION 905. Conformity with Trust Indenture Act. Every supplemental indenture executed pursuant to this Article shall conform to the requirements of the Trust Indenture Act as then in effect.

SECTION 906. Reference in Securities to Supplemental Indentures. Securities of any series authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall, if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Securities of any series so modified as to conform, in the opinion of the Trustee and the Company, to any such supplemental indenture may be prepared and executed by the Company and authenticated and delivered by the Trustee in exchange for Outstanding Securities of such series.

SECTION 907. Notice of Supplemental Indentures. Promptly after the execution by the Company and the Trustee of any supplemental indenture pursuant to the provisions of Section 902, the Company shall give notice thereof to the Holders of each Outstanding Security affected, in the manner provided for in Section 106, setting forth in general terms the substance of such supplemental indenture.

ARTICLE TEN

COVENANTS

SECTION 1001. Payment of Principal, Premium or Make-Whole Amount, if any, Interest and Additional Amounts. The Company covenants and agrees for the benefit of the Holders of each series of Securities that it will duly and punctually pay the principal of (and premium or Make-Whole Amount, if any) and interest on and any Additional Amounts payable in respect of the Securities of that series in accordance with the terms of such series of Securities and this Indenture. Unless otherwise specified with respect to Securities of any series pursuant to Section 301, at the option of the Company, all payments of principal may be paid by check to

the registered Holder of the Registered Security or other person entitled thereto against surrender of such Security.

SECTION 1002. Maintenance of Office or Agency. If Securities of a series are issuable only as Registered Securities, the Company shall maintain in each Place of Payment for any series of Securities an office or agency where Securities of that series may be presented or surrendered for payment, where Securities of that series may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company in respect of the Securities of that series and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of each such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company hereby appoints the same as its agent to receive such respective presentations, surrenders, notices and demands, and the Company hereby appoints Trustee its agent to receive all such presentations, surrenders, notices and demands.

The Company may from time to time designate one or more other offices or agencies where the Securities of one or more series may be presented or surrendered for any or all of such purposes, and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in accordance with the requirements set forth above for Securities of any series for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency. Unless otherwise specified with respect to any Securities pursuant to Section 301 with respect to a series of Securities, the Company hereby designates as a Place of Payment for each series of Securities the office or agency of the Company in the Borough of Manhattan, City of New York, New York or such other place designated for the applicable Security, and initially appoints the Trustee at its Corporate Trust Office as Paying Agent in such city and as its agent to receive all such presentations, surrenders, notices and demands.

Unless otherwise specified with respect to any Securities pursuant to Section 301, if and so long as the Securities of any series (i) are denominated in a Foreign Currency or (ii) may be payable in a Foreign Currency, or so long as it is required under any other provision of the Indenture, then the Company will maintain with respect to each such series of Securities, or as so required, at least one exchange rate agent.

SECTION 1003. Money for Securities Payments to Be Held in Trust If the Company shall at any time act as its own Paying Agent with respect to any series of any Securities, it will, on or before each due date of the principal of (and premium or Make-Whole Amount, if any), or interest on or Additional Amounts in respect of, any of the Securities of that series, segregate and hold in trust for the benefit of the Persons entitled thereto a sum in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such

series) sufficient to pay the principal (and premium or Make-Whole Amount, if any) or interest or Additional Amounts so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided, and will promptly notify the Trustee of its action or failure so to act.

Whenever the Company shall have one or more Paying Agents for any series of Securities, it will, on or before each due date of the principal of (and premiums or Make-Whole Amount, if any), or interest on or Additional Amounts in respect of, any Securities of that series, deposit with a Payment Agent a sum (in the currency or currencies, currency unit or units or composite currency or currencies described in the preceding paragraph) sufficient to pay the principal (and premium or Make-Whole Amount, if any) or interest or Additional Amounts, so becoming due, such sum to be held in trust for the benefit of the Persons entitled to such principal, premium, Make-Whole Amount or interest or Additional Amounts and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of its action or failure so to act.

The Company will cause each Paying Agent other than the Trustee to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will

(1) hold all sums held by it for the payment of principal of (and premium or Make-Whole Amount, if any) or interest on Securities in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided;

(2) give the Trustee notice of any default by the Company (or any other obligor upon the Securities) in the making of any such payment of principal (and premium or Make-Whole Amount, if any) or interest; and

(3) at any time during the continuance of any such default upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent.

The Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Company Order direct any Paying Agent to pay, to the Trustee all sums held in trust by the Company or such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Company or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such sums.

Except as otherwise provided in the Securities of any series, any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of (and premium or Make-Whole Amount, if any) or interest on, or any Additional Amounts in respect of, any Security of any series and remaining unclaimed for two years after such principal (and premiums or Make-Whole Amount, if any), interest or Additional Amounts

has become due and payable shall be paid to the Company upon Company Request or (if then held by the Company) shall be discharged from such trust; and the Holder of such Security shall thereafter, as an unsecured general creditor, look only to the Company and the Guarantors for payment of such principal of (and premium or Make-Whole Amount, if any) or interest on, or any Additional Amounts in respect of, any Security, without interest thereon, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in an Authorized Newspaper, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication, any unclaimed balance of such money then remaining will be repaid to the Company.

SECTION 1004. Limitations on Incurrence of Debt.

(a) The Company will not, and will not permit any Subsidiary to, incur any Debt if, immediately after giving effect to the incurrence of such additional Debt and the application of the proceeds thereof, the aggregate principal amount of all outstanding Debt of the Company and its Subsidiaries on a consolidated basis determined in accordance with GAAP is greater than 60% of the sum of (without duplication) (i) Total Assets as of the end of the calendar quarter covered in the Company's Annual Report on Form 10-K or Quarterly Report on Form 10-Q, as the case may be, most recently filed with the Commission (or, if such filing is not permitted under the Exchange Act, with the Trustee) prior to the incurrence of such additional Debt and (ii) the purchase price of any real estate assets or mortgages receivable acquired, and the amount of any securities offering proceeds received (to the extent such proceeds were not used to acquire real estate assets or mortgages receivable or used to reduce Debt), by the Company or any Subsidiary since the end of such calendar quarter, including those proceeds obtained in connection with the incurrence of such additional Debt.

(b) In addition to the limitation set forth in subsection (a) of this Section 1004, the Company will not, and will not permit any Subsidiary to, incur any Debt if the ratio of Consolidated Income Available for Debt Service to the Annual Service Charge for the four consecutive fiscal quarters most recently ended prior to the date on which such additional Debt is to be incurred shall have been less than 1.5, on a pro forma basis after giving effect thereto and to the application of the proceeds therefrom, and calculated on the assumption that (i) such Debt and any other Debt incurred by the Company and its Subsidiaries since the first day of such four-quarter period and the application of the proceeds therefrom, including to refinance other Debt, had occurred at the beginning of such period; (ii) the repayment or retirement of any other Debt by the Company and its Subsidiaries since the first day of such four-quarter period had been incurred, repaid or retired at the beginning of such period (except that, in making such computation, the amount of Debt under any revolving credit facility shall be computed based upon the average daily balance of such Debt during such period); (iii) in the case of Acquired Debt

or Debt incurred in connection with any acquisition since the first day of such four-quarter period, the related acquisition had occurred as of the first day of such period with the appropriate adjustments with respect to such acquisition being included in such pro forma calculation; and (iv) in the case of any acquisition or disposition by the Company or its Subsidiaries of any asset or group of assets since the first day of such four-quarter period, whether by merger, stock purchase or sale, or asset purchase or sale, such acquisition or disposition or any related repayment of Debt had occurred as of the first day of such period with the appropriate adjustments with respect to such acquisition or disposition being included in such pro forma calculation.

(c) In addition to the limitation set forth in subsections (a) and (b) of this Section 1004, the Company and its Subsidiaries may not at any time own Total Unencumbered Assets equal to less than 150% of the aggregate outstanding principal amount of the Unsecured Debt of the Company and its Subsidiaries on a consolidated basis.

(d) In addition to the limitation set forth in subsections (a), (b) and (c) of this Section 1004, the Company will not, and will not permit any Subsidiary to, incur any Debt for borrowed money secured by any mortgage, lien, charge, pledge, encumbrance or security interest upon any of the property of the Company or any Subsidiary, whether owned at the date hereof or hereafter acquired, if, immediately after giving effect to the incurrence of such additional Debt and the application of the proceeds thereof, the aggregate principal amount of all outstanding Debt of the Company and its Subsidiaries on a consolidated basis for borrowed money which is secured by any mortgage, lien, charge, pledge, encumbrance or security interest on property of the Company or any Subsidiary is greater than 40% of the sum of (without duplication): (i) Total Assets as of the end of the calendar quarter covered in the Company's Annual Report on Form 10-K or Quarterly Report on Form 10-Q, as the case may be, most recently filed with the Commission (or, if such filing is not permitted under the Exchange Act, with the Trustee) prior to the incurrence of such additional Debt and (ii) the purchase price of any real estate assets or mortgages receivable acquired, and the amount of any securities offering proceeds received (to the extent that such proceeds were not used to acquire real estate assets or mortgages receivable or used to reduce Debt), by the Company or any Subsidiary since the end of such calendar quarter, including those proceeds obtained in connection with the incurrence of such additional Debt.

(e) For purposes of this Section 1004, Debt shall be deemed to be "incurred" by the Company or a Subsidiary whenever the Company or such Subsidiary shall create, assume, guarantee or otherwise become liable in respect thereof.

(f) Notwithstanding the foregoing, nothing in the above covenants shall prevent: (i) the incurrence by the Company or any Subsidiary of Debt between or among the Company, any Subsidiary or any Equity Investee or (ii) the Company or any Subsidiary from incurring Refinancing Debt.

SECTION 1005. Existence. Subject to Article Eight, the Company will do or cause to be done all things necessary to preserve and keep in full force and effect the existence, rights (charter and statutory) and franchises of the Company and its Subsidiaries; provided, however, that the Company shall not be required to preserve any right or franchise if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and its Subsidiaries as a whole and that the loss thereof is not disadvantageous in any material respect to the Holders of Securities of any series.

SECTION 1006. Maintenance of Properties. The Company will cause all of its properties used or useful in the conduct of its business or the business of any Subsidiary to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment and will cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Company may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times; provided, however, that nothing in this Section shall prevent the Company or any Subsidiary from selling or otherwise disposing for value its properties in the ordinary course of its business.

SECTION 1007. Insurance. The Company will, and will cause each of its Subsidiaries to, keep in force upon all of its properties and operations policies of insurance carried with responsible companies in such amounts and covering all such risks as shall be customary in the industry in accordance with prevailing market conditions and availability.

SECTION 1008. Payment of Taxes and Other Claims. The Company will pay or discharge or cause to be paid or discharged, before the same shall become delinquent, (1) all taxes, assessments and governmental charges levied or imposed upon it or any Subsidiary or upon the income, profits or property of the Company or any Subsidiary, and (2) all lawful claims for labor, materials and supplies which, if unpaid, might by law become a lien upon the property of the Company or any Subsidiary; provided, however, that the Company shall not be required to pay or discharge or cause to be paid or discharged any such tax, assessment, charge or claim whose amount, applicability or validity is being contested in good faith by appropriate proceedings.

SECTION 1009. Provision of Financial Information. Whether or not the Company or the General Partner are subject to Section 13 or 15(d) of the Exchange Act, the Company and the General Partner will, to the extent permitted under the Exchange Act, file with the Commission the annual reports, quarterly reports and other documents which the Company and the General Partner would have been required to file with the Commission pursuant to such Section 13 or 15(d) (the “Financial Statements”) if the Company and the General Partner were so subject, such documents to be filed with the Commission on or prior to the respective dates (the “Required Filing Dates”) by which the Company and the General Partner would have been required so to file such documents if the Company and the General Partner were so subject.

The Company and the General Partner will also in any event (x) within 15 days of each Required Filing Date (i) transmit by mail or electronic transmittal to all Holders, as their names and addresses appear in the Security Register, without cost to such Holders, copies of the annual reports and quarterly reports which the Company and the General Partner are required to file or would have been required to file with the Commission pursuant to Section 13 or 15(d) of the Exchange Act if the Company and the General Partner were subject to such Sections, and (ii) file with the Trustee copies of annual reports, quarterly reports and other documents which the Company and the General Partner would have been required to file with the Commission pursuant to Section 13 or 15(d) of the Exchange Act if the Company and the General Partner were subject to such Sections and (y) if filing such documents by the Company or the General Partner with the Commission is not permitted under the Exchange Act, promptly upon written request and payment of the reasonable cost of duplication and delivery, supply copies of such documents to any prospective Holder.

SECTION 1010. Statement as to Compliance. The Company will deliver to the Trustee, within 120 days after the end of each fiscal year, a brief certificate from its General Partner's principal executive officer, principal financial officer or principal accounting officer as to his or her knowledge of the Company's compliance with all conditions and covenants under this Indenture and, in the event of any noncompliance, specifying such noncompliance and the nature and status thereof, provided that if the Company has been succeeded to by a corporate successor pursuant to the provisions hereof such certificate will be from such successor's principal executive officer, principal financial officer or principal accounting officer. For purposes of this Section 1010, such compliance shall be determined without regard to any period of grace or requirement of notice under this Indenture.

SECTION 1011. Additional Amounts. If any Securities of a series provide for the payment of Additional Amounts, the Company will pay to the Holder of any Security of such series Additional Amounts as may be specified as contemplated by Section 301. Whenever in this Indenture there is mentioned, in any context except in the case of Section 502(1), the payment of the principal or of any premium, Make-Whole Amount or interest on, or in respect of, any Security of any series or the net proceeds received on the sale or exchange of any Security of any series, such mention shall be deemed to include mention of the payment of Additional Amounts provided by the terms of such series established pursuant to Section 301 to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to such terms and express mention of the payment of Additional Amounts (if applicable) in any provisions hereof shall not be construed as excluding Additional Amounts in those provisions hereof where such express mention is not made.

Except as otherwise specified as contemplated by Section 301, if the Securities of a series provide for the payment of Additional Amounts, at least 10 days prior to the first Interest Payment Date with respect to that series of Securities (or if the Securities of that series will not bear interest prior to Maturity, the first day on which a payment of principal and any premium is made), and at least 10 days prior to each date of payment of principal and any premium or Make-Whole Amount or interest if there has been any change with respect to the matters set forth in the below-mentioned Officers' Certificate, the Company will furnish the Trustee and the Company's principal Paying Agent or Paying Agents, if other than the Trustee, with an Officers' Certificate

instructing the Trustee and such Paying Agent or Paying Agents whether such payment of principal of and any premium or interest on the Securities of that series shall be made to Holders of Securities of that series who are not United States persons without withholding for or on account of any tax, assessment or other governmental charge described in the Securities of or within the series. If any such withholding shall be required, then such Officers' Certificate shall specify by country the amount, if any, required to be withheld on such payments to such Holders of Securities of that series and the Company will pay to the Trustee or such Paying Agent the Additional Amounts required by the terms of such Securities. In the event that the Trustee or any Paying Agent, as the case may be, shall not so receive the above-mentioned certificate, then the Trustee or such Paying Agent shall be entitled (i) to assume that no such withholding or deduction is required with respect to any payment of principal or interest with respect to any Securities of a series until it shall have received a certificate advising otherwise and (ii) to make all payments of principal and interest with respect to the Securities of a series without withholding or deductions until otherwise advised. The Company covenants to indemnify the Trustee and any Paying Agent for, and to hold the harmless against, any loss, liability or expense reasonably incurred without negligence or bad faith on their part arising out of or in connection with actions taken or omitted by any of them or in reliance on any Officers' Certificate furnished pursuant to this Section or in reliance on the Company's not furnishing such an Officers' Certificate.

SECTION 1012. Waiver of Certain Covenants. The Company may omit in any particular instance to comply with any term, provision or condition set forth in Sections 1004 to 1009, inclusive, and with any other term, provision or condition with respect to the Securities of any series specified in accordance with Section 301 (except any such term, provision or condition which could not be amended without the consent of all Holders of Securities of such series pursuant to Section 902), if before or after the time for such compliance the Holders of at least a majority in principal amount of all outstanding Securities of such series, by Act of such Holders, either waive such compliance in such instance or generally waive compliance with such covenant or condition, but no such waiver shall extend to or affect such covenant or condition except to the extent so expressly waived, and, until such waiver shall become effective, the obligations of the Company and the duties of the Trustee in respect of any such term, provision or condition shall remain in full force and effect.

ARTICLE ELEVEN

REDEMPTION OF SECURITIES

SECTION 1101. Applicability of Article. Securities of any series which are redeemable before their Stated Maturity shall be redeemable in accordance with their terms and (except as otherwise specified as contemplated by Section 301 for Securities of any series) in accordance with this Article.

SECTION 1102. Election to Redeem; Notice to Trustee. The election of the Company to redeem any Securities shall be evidenced by or pursuant to a Board Resolution. In case of any

redemption at the election of the Company of less than all of the Securities of any series, the Company shall, at least 45 days prior to the giving of the notice of redemption in Section 1104 (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date and of the principal amount of Securities of such series to be redeemed. In the case of any redemption of Securities prior to the expiration of any restriction on such redemption provided in the terms of such Securities or elsewhere in this Indenture, the Company shall furnish the Trustee with an Officers' Certificate evidencing compliance with such restriction.

SECTION 1103. Selection by Trustee of Securities to Be Redeemed If less than all the Securities of any series issued on the same day with the same terms are to be redeemed, the particular Securities to be redeemed shall be selected not more than 60 days prior to the Redemption Date by the Trustee, from the Outstanding Securities of such series issued on such date with the same terms not previously called for redemption, by such method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions (equal to the minimum authorized denomination for Securities of that series or any integral multiple thereof) of the principal amount of Securities of such series of a denomination larger than the minimum authorized denomination for Securities of that series.

The Trustee shall promptly notify the Company and the Security Registrar (if other than itself) in writing of the Securities selected for redemption and, in the case of any Securities selected for partial redemption, the principal amount thereof to be redeemed.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Security redeemed or to be redeemed only in part, to the portion of the principal amount of such Security which has been or is to be redeemed.

SECTION 1104. Notice of Redemption. Notice of redemption shall be given in the manner provided in Section 106, not less than 30 days nor more than 60 days prior to the Redemption Date, unless a shorter period is specified by the terms of such series established pursuant to Section 301, to each Holder of Securities to be redeemed, but failure to give such notice in the manner herein provided to the Holder of any Security designated for redemption as a whole or in part, or any defect in the notice to any such Holder, shall not affect the validity of the proceedings for the redemption of any other such Security or portion thereof.

Any notice that is mailed to the Holders of Registered Securities in the manner herein provided shall be conclusively presumed to have been duly given, whether or not the Holder receives the notice.

All notices of redemption shall state:

(1) the Redemption Date;

(2) the Redemption Price, accrued interest to the Redemption Date payable as provided in Section 1106, if any, and Additional Amounts, if any;

(3) if less than all Outstanding Securities of any series are to be redeemed, the identification (and, in the case of partial redemption, the principal amount) of the particular Security or Securities to be redeemed;

(4) in case any Security is to be redeemed in part only, the notice relates to such Security shall state that on and after the Redemption Date, upon surrender of such Security, the holder will receive, without a charge, a new Security or Securities of authorized denominations for the principal amount thereof remaining unredeemed;

(5) that on the Redemption Date the Redemption Price and accrued interest to the Redemption Date payable as provided in Section 1106, if any, will become due and payable upon each such Security, or the portion thereof, to be redeemed and, if applicable, that interest thereon shall cease to accrue on and after said date;

(6) the Place or Places of Payment where such Securities are to be surrendered for payment of the Redemption Price and accrued interest, if any;

(7) that the redemption is for a sinking fund, if such is the case; and

(8) the CUSIP number of such Security, if any, provided that neither the Company or the Trustee shall have any responsibility for any such CUSIP number.

Notice of redemption of Securities to be redeemed shall be given by the Company or, at the Company's request, by the Trustee in the name and at the expense of the Company.

SECTION 1105. Deposit of Redemption Price. On or prior to any Redemption Date, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, which it may not do in the case of a sinking fund payment under Article Twelve, segregate and hold in trust as provided in Section 1003) an amount of money in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series) sufficient to pay on the Redemption Date the Redemption Price of, and (except if the Redemption Date shall be an Interest Payment Date) accrued interest on, all the Securities or portions thereof which are to be redeemed on that date.

SECTION 1106. Securities Payable on Redemption Date. Notice of redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series) (together with accrued interest, if any, to the Redemption Date), and from and after such date (unless the Company shall default in the payment of the Redemption Price and accrued interest) such Securities shall, if the same were interest-bearing, cease to bear interest. Upon surrender of any such Security for redemption in accordance with said notice, such Security shall be paid by the Company at the Redemption Price, together with accrued interest, if any, to the Redemption

Date; provided however that, installments of interest on Registered Securities whose Stated Maturity is on or prior to the Redemption Date shall be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the relevant Record Dates according to their terms and the provisions of Section 307.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal (and premium or Make-Whole Amount, if any) shall, until paid, bear interest from the Redemption Date at the rate borne by the Security.

SECTION 1107. Securities Redeemed in Part. Any Security which is to be redeemed only in part (pursuant to the provisions of this Article or of Article Twelve) shall be surrendered at a Place of Payment therefor (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such Security without service charge a new Security or Securities of the same series, of any authorized denomination as requested by such Holder in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered.

ARTICLE TWELVE

SINKING FUNDS

SECTION 1201. Applicability of Article. The provisions of this Article shall be applicable to any sinking fund for the retirement of Securities of a series except as otherwise specified as contemplated by Section 301 for Securities of such series.

The minimum amount of any sinking fund payment provided for by the terms of Securities of any series is herein referred to as a “mandatory sinking fund payment,” and any payment in excess of such minimum amount provided for by the terms of such Securities of any series is herein referred to as an “option sinking fund payment.” If provided for by the terms of any Securities of any series, the cash amount of any mandatory sinking fund payment may be subject to reduction as provided in Section 1202. Each sinking fund payment shall be applied to the redemption of Securities of any series as provided for by the terms of Securities of such series.

SECTION 1202. Satisfaction of Sinking Fund Payments with Securities. The Company may, in satisfaction of all or any part of any mandatory sinking fund with respect to the Securities of a series, (1) deliver Outstanding Securities of such series (other than any previously called for redemption) and (2) apply as a credit Securities of such series which have been redeemed either at the election of the Company pursuant to the terms of such Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Securities, as provided for by the terms of such Securities, or which have otherwise been acquired by the Company; provided that such Securities so delivered or applied as a credit have not been previously so credited. Such Securities shall be received and credited for such purpose

by the Trustee at the applicable Redemption Price specified in such Securities for redemption through operation of the sinking fund and the amount of such mandatory sinking fund payment shall be reduced accordingly.

SECTION 1203. Redemption of Securities for Sinking Fund. Not less than 60 days prior to each sinking payment date for Securities of any series, the Company will deliver to the Trustee an Officers' Certificate specifying the amount of the next ensuing mandatory sinking fund payment for that series pursuant to the terms of that series, the portion thereof, if any, which is to be satisfied by payment of cash in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series) and the portion thereof, if any, which is to be satisfied by delivering and crediting Securities of that series pursuant to Section 1202, and the optional amount, if any, to be added in cash to the next ensuing mandatory sinking fund payment, and will also deliver to the Trustee any Securities to be so delivered and credited. If such Officers' Certificate shall specify an optional amount to be added in cash to the next ensuing mandatory sinking fund payment, the Company shall thereupon be obligated to pay the amount therein specified. Not less than 30 days before each such sinking fund payment date the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 1103 and cause notice of the redemption thereof to be given in the name of and at the expense of the Company in the manner provided in Section 1104. Such notice having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Sections 1106 and 1107.

ARTICLE THIRTEEN

REPAYMENT AT THE OPTION OF HOLDERS

SECTION 1301. Applicability of Article. Repayment of Securities of any series before their Stated Maturity at the option of Holders thereof shall be made in accordance with the terms of such Securities, if any, and (except as otherwise specified by the terms of such series established pursuant to Section 301) in accordance with this Article.

SECTION 1302. Repayment of Securities. Securities of any series subject to repayment in whole or in part at the option of the Holders thereof will, unless otherwise provided in the terms of such Securities, be repaid at a price equal to the principal amount thereof, together with interest, if any, thereof accrued to the Repayment Date specified in or pursuant to the terms of such Securities. The Company covenants that on or before the Repayment Date it will deposit with the Trustee or with a Paying Agent (or, if the Company is acting as it own Paying Agent, segregate and hold in trust as provided in Section 1003) an amount of money in the currency or currencies, currency unit or units or composite currency or currencies in which the Securities of such series are payable (except as otherwise specified pursuant to Section 301 for the Securities of such series) sufficient to pay the principal (or, if so provided by the terms of the Securities of any series, a percentage of the principal) of, and (except if the Repayment Date shall be an

Interest Payment Date) accrued interest on, all the Securities or portions thereof, as the case may be, to be repaid on such date.

SECTION 1303. Exercise of Option. Securities of any series subject to repayment at the option of the Holders thereof will contain an "Option to Elect Repayment" form on the reverse of such Securities. In order for any Security to be repaid at the option of the Holder, the Trustee must receive at the Place of Payment therefor specified in the terms of such Security (or at such other place or places of which the Company shall from time to time notify the Holders of such Securities) not earlier than 60 days nor later than 30 days prior to the Repayment Date (1) the Security so providing for such repayment together with the "Option to Elect Repayment" form on the reverse thereof duly completed by the Holder (or by the Holder's attorney duly authorized in writing) or (2) a telegram, telex, facsimile transmission or a letter from a member of a national securities exchange, or the National Association of Securities Dealers, Inc. ("NASD"), or a commercial bank or trust company in the United States setting forth the name of the Holder of the Security, the principal amount of the Security, the principal amount of the Security to be repaid, the CUSIP number, if any, or a description of the tenor and terms of the Security, a statement that the option to elect repayment is being exercised thereby and a guarantee that the Security to be repaid, together with the duly completed form entitled "Option to Elect Repayment" on the reverse of the Security, will be received by the Trustee not later than the fifth Business Day after the date of such telegram, telex, facsimile transmission or letter; provided, however, that such telegram, telex, facsimile transmission or letter shall only be effective if such Security and form duly completed are received by the Trustee by such fifth Business Day. If less than the entire principal amount of such Security is to be repaid in accordance with the terms of such Security, the principal amount of such Security to be repaid, in increments of the minimum denomination for Securities of such series, and the denomination or denominations of the Security or Securities to be issued to the Holder for the portion of the principal amount of such Security surrendered that is not to be repaid, must be specified. The principal amount of any Security providing for prepayment at the option of the Holder thereof may not be repaid in part if, following such repayment, the unpaid principal amount of such Security would be less than the minimum authorized denomination of Securities of or within the series of which such Security to be repaid is a part. Except as otherwise may be provided by the terms of any Security providing for repayment at the option of the Holder thereof, exercise of the repayment option by the Holder shall be irrevocable unless waived by the Company.

SECTION 1304. When Securities Presented for Repayment Become Due and Payable. If Securities of any series providing for repayment at the option of the Holders thereof shall have been surrendered as provided in this Article and as provided by or pursuant to the terms of such Securities, such Securities or the portions thereof, as the case may be, to be repaid shall become due and payable and shall be paid by the Company on the Repayment Date therein specified, and on and after such Repayment Date (unless the Company shall default in the payment of such Securities on such Repayment Date) such Securities shall, if the same were interest-bearing, cease to bear interest. Upon surrender of any such Security for repayment in accordance with such provisions, the principal amount of such security so to be repaid shall be paid by the Company, together with accrued interest, if any, to the Repayment Date; provided however that,

in the case of Registered Securities, installments of interest, if any, whose Stated Maturity is on or prior to the Repayment Date shall be payable (but without interest thereon, unless the Company shall default in the payment thereof) to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the relevant Record Dates according to their terms and the provisions of Section 307.

If the principal amount of any Security surrendered for repayment shall not be so repaid upon surrender thereof, such principal amount (together with interest, if any, thereon accrued to such Repayment Date) shall, until paid, bear interest from the Repayment Date at the rate of interest or Yield to Maturity (in the case of Original Issue Discount Securities) set forth in such Security.

SECTION 1305. Securities Repaid in Part. Upon surrender of any Registered Security which is to be repaid in part only, the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such Security, without service charge and at the expense of the Company, a new Registered Security or Securities of the same series, of any authorized denomination specified by the Holder, in an aggregate principal amount equal to and in exchange for the portion of the principal of such Security so surrendered which is not to be repaid.

ARTICLE FOURTEEN

DEFEASANCE AND COVENANT DEFEASANCE

SECTION 1401. Applicability of Article; Company's Option to Effect Defeasance or Covenant Defeasance. If, pursuant to Section 301, provision is made for either or both of (a) defeasance of the Securities of or within a series under Section 1402 or (b) covenant defeasance of the Securities of or within a series under Section 1403 to be applicable to the Securities of any series, then the provisions of such Section or Sections, as the case may be, together with the other provisions of this Article (with such modifications thereto as may be specified pursuant to Section 301 with respect to any Securities), shall be applicable to such Securities, and the Company may at its option by Board Resolution, at any time, with respect to such Securities, elect to defease such Outstanding Securities pursuant to Section 1402 (if applicable) or Section 1403 (if applicable) upon compliance with the conditions set forth below in this Article.

SECTION 1402. Defeasance and Discharge. Upon the Company's exercise of the above option applicable to this Section with respect to any Securities of or within a series, the Company shall be deemed to have been discharged from its obligations with respect to such Outstanding Securities on the date the conditions set forth in Section 1404 are satisfied (hereinafter, "defeasance"). For this purpose, such defeasance means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by such Outstanding Securities, which shall thereafter be deemed to be "Outstanding" only for the purposes of Section 1405 and the other Sections of this Indenture referred to in clauses (A) and (B) below, and to have satisfied all of its other obligations under such Securities and this Indenture insofar as such Securities are concerned (and the Trustee, at the expense of the Company, shall execute proper instruments

acknowledging the same), except for the following which shall survive until otherwise terminated or discharged hereunder: (A) the rights of Holders of such Outstanding Securities to receive, solely from the trust fund described in Section 1404 and as more fully set forth in such Section, payments in respect of the principal of (and premium or Make-Whole Amount, if any) and interest, if any, on such Securities when such payments are due, (B) the Company's obligations with respect to such Securities under Sections 305, 306, 1002 and 1003 and with respect to the payment of Additional Amounts, if any, on such Securities as contemplated by Section 1011, (C) the rights, powers, trusts, duties and immunities of the Trustee hereunder and (D) this Article. Subject to compliance with this Article Fourteen, the Company may exercise its option under this Section notwithstanding the prior exercise of its option under Section 1403 with respect to such Securities.

SECTION 1403. Covenant Defeasance. Upon the Company's exercise of the above option applicable to this Section with respect to any Securities of or within a series, the Company shall be released from its obligations under Sections 1004 to 1009, inclusive, and, if specified pursuant to Section 301, its obligations under any other covenant, with respect to such Outstanding Securities on and after the date the conditions set forth in Section 1404 are satisfied (hereinafter, "covenant defeasance"), and such Securities shall thereafter be deemed to be not "Outstanding" for the purposes of any direction, waiver, consent or declaration or Act of Holders (and the consequences of any thereof) in connection with Sections 1004 to 1009, inclusive, or such other covenant, but shall continue to be deemed "Outstanding" for all other purposes hereunder. For this purpose, such covenant defeasance means that, with respect to such Outstanding Securities, the Company may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such Section or such other covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such Section or such other covenant or by reason of reference in any such Section or such other covenant to any other provision herein or in any other document and such omission to comply shall not constitute a default or an Event of Default under Section 501(4) or 501(8) or otherwise, as the case may be, but, except as specified above, the remainder of this Indenture and such Securities shall be unaffected thereby.

SECTION 1404. Conditions to Defeasance or Covenant Defeasance. The following shall be the conditions to application of Section 1402 or Section 1403 to any Outstanding Securities of or within a series:

(a) The Company shall irrevocably have deposited or caused to be deposited with the Trustee (or another trustee satisfying the requirements of Section 607 who shall agree to comply with the provisions of this Article Fourteen applicable to it) as trust funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefit of the Holders of such Securities, (1) an amount in such currency, currencies or currency unit in which such Securities are then specified as payable at Stated Maturity, or (2) Government Obligations applicable to such Securities (determined on the basis of the currency, currencies or currency unit in which such Securities are then specified as payable at Stated Maturity) which through the

scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment of principal of (and premium or Make-Whole Amount, if any) and interest, if any, on such Securities, money in an amount, or (3) a combination thereof in an amount, sufficient, without consideration of any reinvestment of such principal and interest, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, to pay and discharge, and which shall be applied by the Trustee (or other qualifying trustee) to pay and discharge, (i) the principal of (and premium or Make-Whole Amount, if any) and interest, if any, on such Outstanding Securities on the Stated Maturity of such principal or installment of principal or interest and (ii) any mandatory sinking fund payments or analogous payments applicable to such Outstanding Securities on the day on which such payments are due and payable in accordance with the terms of this Indenture and of such Securities; provided, that the Trustee shall have been irrevocably instructed to apply such money or the proceeds of such Government Obligations to said payments with respect to such Securities. Before such a deposit, the Company may give to the Trustee, in accordance with Section 1102 hereof, a notice of its election to redeem all or any portion of such Outstanding Securities at a future date in accordance with the terms of the Securities of such series and Article Eleven hereof, which notice shall be irrevocable. Such irrevocable redemption notice, if given, shall be given effect in applying the foregoing.

(b) Such defeasance or covenant defeasance shall not result in a breach or violation of, or constitute a default under, this Indenture or any other material agreement or instrument to which the Company is a party or by which it is bound (and shall not cause the Trustee to have a conflicting interest pursuant to Section 310(b) of the TIA with respect to any Security of the Company).

(c) No Event of Default or event which with notice or lapse of time or both would become an Event of Default with respect to such Securities shall have occurred and be continuing on the date of such deposit or, insofar as Sections 501(6) and 501(7) are concerned, at any time during the period ending on the 91st day after the date of such deposit (it being understood that this condition shall not be deemed satisfied until the expiration of such period).

(d) In the case of an election under Section 1402, the Company shall have delivered to the Trustee an Opinion of Counsel stating 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 execution of this Indenture, there has been a change in the applicable Federal income tax law, in either case to the effect that, and based thereon such opinion shall confirm that, the Holders of such Outstanding Securities will not recognize income, gain or loss for Federal income tax purposes as a result of such defeasance and will be subject to Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such defeasance had not occurred.

(e) In the case of an election under Section 1403, the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the Holders of such Outstanding Securities will not recognize income, gain or loss for Federal income tax purposes as a result of such covenant defeasance and will be subject to Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such covenant defeasance had not occurred.

(f) The Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent to the defeasance under Section 1402 or the covenant defeasance under Section 1403 (as the case may be) have been complied with and an Opinion of Counsel to the effect that either (i) as a result of a deposit pursuant to subsection (a) above and the related exercise of the Company's option under Section 1402 or Section 1403 (as the case may be), registration is not required under the Investment Company Act of 1940, as amended, by the Company, with respect to the trust funds representing such deposit or by the Trustee for such trust funds or (ii) all necessary registrations under said Act have been effected.

(g) After the 91st day following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally.

(h) Notwithstanding any other provisions of this Section, such defeasance or covenant defeasance shall be effected in compliance with any additional or substitute terms, conditions or limitations which may be imposed on the Company in connection therewith pursuant to Section 301.

SECTION 1405. Deposited Money and Government Obligations to Be Held in Trust; Other Miscellaneous Provisions Subject to the provisions of the last paragraph of Section 1003, all money and Government Obligations (or other property as may be provided pursuant to Section 301) (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 1405, the "Trustee") pursuant to Section 1404 in respect of any Outstanding Securities of any series shall be held in trust and applied by the Trustee, in accordance with the provisions of such Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Holders of such Securities of all sums due and to become due thereon in respect of principal (and premium or Make-Whole Amount, if any) and interest and Additional Amounts, if any, but such money need not be segregated from other funds except to the extent required by law.

Unless otherwise specified with respect to any Security pursuant to Section 301, if, after a deposit referred to in Section 1404(a) has been made, (a) the Holder of a Security in respect of which such deposit was made is entitled to, and does, elect pursuant to Section 301 or the terms of such Security to receive payment in a currency or currency unit other than that in which the deposit pursuant to Section 1404(a) has been made in respect of such Security, or (b) a

Conversion Event occurs in respect of the currency or currency unit in which the deposit pursuant to Section 1404(a) has been made, the indebtedness represented by such Security shall be deemed to have been, and will be, fully discharged and satisfied through the payment of the principal of (and premium or Make-Whole Amount, if any), and interest, if any, on such Security as the same becomes due out of the proceeds yielded by converting (from time to time as specified below in the case of any such election) the amount or other property deposited in respect of such Security into the currency or currency unit in which such Security becomes payable as a result of such election or Conversion Event based on the applicable market exchange rate for such currency or currency unit in effect on the second Business Day prior to each payment date, except, with respect to a Conversion Event, for such currency or currency unit in effect (as nearly as feasible) at the time of the Conversion Event.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the Government Obligations deposited pursuant to Section 1404 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of such Outstanding Securities.

Anything in this Article to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon Company Request any money or Government Obligations (or other property and any proceeds therefrom) held by it as provided in Section 1404 which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect a defeasance or covenant defeasance, as applicable, in accordance with this Article.

ARTICLE FIFTEEN

MEETINGS OF HOLDERS OF SECURITIES

SECTION 1501. Purposes for Which Meetings May Be Called. A meeting of Holders of Securities of any series may be called at any time and from time to time pursuant to this Article to make, give or take any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be made, given or taken by Holders of Securities of such series.

SECTION 1502. Call, Notice and Place of Meetings.

(a) The Trustee may at any time call a meeting of Holders of Securities of any series for any purpose specified in Section 1501, to be held at such time and at such place in the Borough of Manhattan, City of New York, New York as the Trustee shall determine. Notice of every meeting of Holders of Securities of any series, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting, shall be given, in the manner provided in Section 106, not less than 21 nor more than 180 days prior to the date fixed for the meeting.

(b) In case at any time the Company, pursuant to a Board Resolution, or the Holders of at least 10% in principal amount of the Outstanding Securities of any series shall have requested the Trustee to call a meeting of the Holders of Securities of such series for any purpose specified in Section 1501, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Trustee shall not have made the first publication of the notice of such meeting within 21 days after receipt of such request or shall not thereafter proceed to cause the meeting to be held as provided herein, then the Company or the Holders of Securities of such series in the amount above specified, as the case may be, may determine the time and the place in the Borough of Manhattan, City of New York, New York for such meeting and may call such meeting for such purposes by giving notice thereof as provided in subsection (a) of this Section.

SECTION 1503. Persons Entitled to Vote at Meetings. To be entitled to vote at any meeting of Holders of Securities of any series, a Person shall be (1) a Holder of one or more Outstanding Securities of such series, or (2) a Person appointed by an instrument in writing as proxy for a Holder or Holders of one or more Outstanding Securities of such series by such Holder or Holders. The only Persons who shall be entitled to be present or to speak at any meeting of Holders of Securities of any series shall be the Persons entitled to vote at such meeting and their counsel, any representatives of the Trustee and its counsel, any representatives of the Guarantors and their counsel and any representatives of the Company and its counsel.

SECTION 1504. Quorum; Action. The Persons entitled to vote a majority in principal amount of the Outstanding Securities of a series shall constitute a quorum for a meeting of Holders of Securities of such series; provided, however, that if any action is to be taken at such meeting with respect to a consent or waiver which this Indenture expressly provides may be given by the Holders of not less than a specified percentage in principal amount of the Outstanding Securities of a series, the Persons entitled to vote such specified percentage in principal amount of the Outstanding Securities of such series shall constitute a quorum. In the absence of a quorum within 30 minutes after the time appointed for any such meeting, the meeting shall, if convened at the request of Holders of Securities of such series, be dissolved. In any other case the meeting may be adjourned for a period of not less than 10 days as determined by the chairman of the meeting prior to the adjournment of such meeting. In the absence of a quorum at any such adjourned meeting, such adjourned meeting may be further adjourned for a period of not less than 10 days as determined by the chairman of the meeting prior to the adjournment of such adjourned meeting. Notice of the reconvening of any adjourned meeting shall be given as provided in Section 1502(a), except that such notice need be given only once not less than five days prior to the date on which the meeting is scheduled to be reconvened. Notice of the reconvening of any adjourned meeting shall state expressly the percentage, as provided above, of the principal amount of the Outstanding Securities of such series which shall constitute a quorum.

Except as limited by the proviso to Section 902, any resolution presented to a meeting or adjourned meeting duly reconvened at which a quorum is present as aforesaid may be adopted by the affirmative vote of the Holders of a majority in principal amount of the Outstanding

Securities of that series; provided, however, that, except as limited by the proviso to Section 902, any resolution with respect to any request, demand, authorization, direction, notice, consent, waiver or other action which this Indenture expressly provides may be made, given or taken by the Holders of a specified percentage, which is less than a majority, in principal amount of the Outstanding Securities of a series may be adopted at a meeting or an adjourned meeting duly reconvened and at which a quorum is present as aforesaid by the affirmative vote of the Holders of such specified percentage in principal amount of the Outstanding Securities of that series.

Any resolution passed or decision taken at any meeting of Holders of Securities of any series duly held in accordance with this Section shall be binding on all the Holders of Securities of such series, whether or not present or represented at the meeting.

Notwithstanding the foregoing provisions of this Section 1504, if any action is to be taken at a meeting of Holders of Securities of any series with respect to any request, demand, authorization, direction, notice, consent, waiver or other action that this Indenture expressly provides may be made, given or taken by the Holders of a specified percentage in principal amount of all Outstanding Securities affected thereby, or of the Holders of such series and one or more additional series;

(i) there shall be no minimum quorum requirement for such meeting; and

(ii) the principal amount of the Outstanding Securities of such series that vote in favor of such request, demand, authorization, direction, notice, consent, waiver or other action shall be taken into account in determining whether such request, demand, authorization, direction, notice, consent, waiver or other action has been made, given or taken under this Indenture.

SECTION 1505. Determination of Voting Rights; Conduct and Adjournment of Meetings.

(a) Notwithstanding any provisions of this Indenture, the Trustee may make such reasonable regulations as it may deem advisable for any meeting of Holders of Securities of a series in regard to proof of the holding of Securities of such series and of the appointment of proxies and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall deem appropriate. Except as otherwise permitted or required by any such regulations, the holding of Securities shall be proved in the manner specified in Section 104 and the appointment of any proxy shall be proved in the manner specified in Section 104. Such regulations may provide that written instruments appointing proxies, regular on their face, may be presumed valid and genuine without the proof specified in Section 104 or other proof.

(b) The Trustee shall, by an instrument in writing appoint a temporary chairman of the meeting, unless the meeting shall have been called by the Company or by

Holders of Securities as provided in Section 1502(b), in which case the Company or the Holders of Securities of or within the series calling the meeting, as the case may be, shall in like manner appoint a temporary chairman. A permanent chairman and a permanent secretary of the meeting shall be elected by vote of the Persons entitled to vote a majority in principal amount of the Outstanding Securities of such series represented at the meeting.

(c) At any meeting each Holder of a Security of such series or proxy shall be entitled to one vote for each $1,000 principal amount of the Outstanding Securities of such series held or represented by him; provided, however, that no vote shall be cast or counted at any meeting in respect of any Security challenged as not Outstanding and ruled by the chairman of the meeting to be not Outstanding. The chairman of the meeting shall have no right to vote, except as a Holder of a Security of such series or proxy.

(d) Any meeting of Holders of Securities of any series duly called pursuant to Section 1502 at which a quorum is present may be adjourned from time to time by Persons entitled to vote a majority in principal amount of the Outstanding Securities of such series represented at the meeting, and the meeting may be held as so adjourned without further notice.

SECTION 1506. Counting Votes and Recording Action of Meetings The vote upon any resolution submitted to any meeting of Holders of Securities of any series shall be by written ballots on which shall be subscribed the signatures of the Holders of Securities of such series or of their representatives by proxy and the principal amounts and series numbers of the Outstanding Securities of such series held or represented by them. The permanent chairman of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in duplicate of all votes cast at the meeting. A record, at least in duplicate, of the proceedings of each meeting of Holders of Securities of any Series shall be prepared by the secretary of the meeting and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavits by one or more persons having knowledge of the fact, setting forth a copy of the notice of the meeting and showing that said notice was given as provided in Section 1502 and, if applicable, Section 1504. Each copy shall be signed and verified by the affidavits of the permanent chairman and secretary of the meeting and one such copy shall be delivered to the Company and another to the Trustee to be preserved by the Trustee, the latter to have attached thereto the ballots voted at the meeting. Any record so signed and verified shall be conclusive evidence of the matters therein stated.

SECTION 1507. Evidence of Action Taken by Holders Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by a specified percentage in principal amount of the Holders of any or all series may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such specified percentage of Holders in person or by agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when

such instrument or instruments are delivered to the Trustee. Proof of execution of any instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and (subject to Article Six) conclusive in favor of the Trustee and the Company, if made in the manner provided in this Article.

SECTION 1508. Proof of Execution of Instruments. Subject to Article Six, the execution of any instrument by a Holder or his agent or proxy may be proved in accordance with such reasonable rules and regulations as may be prescribed by the Trustee or in such manner as shall be satisfactory to the Trustee.

This Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Indenture.

ARTICLE SIXTEEN

GUARANTEE

SECTION 1601. Guarantees. The provisions of this Article shall be applicable to the Securities and Guarantees. Each Guarantor (which term includes any successor Person under this Indenture) for consideration received hereby jointly and severally unconditionally and irrevocably guarantees on a senior basis (each a "Guarantee", and collectively, the "Guarantees") to the Holders from time to time of the Securities (a) the full and prompt payment of the principal of and any premium, if any, on any Security when and as the same shall become due, whether at the maturity thereof, by acceleration, redemption or otherwise and (b) the full and prompt payment of any interest on any Security when and as the same shall become due and payable. Each and every default in the payment of the principal of or interest or any premium on any Security shall give rise to a separate cause of action under each applicable Guarantee, and separate suits may be brought under each applicable Guarantee as each cause of action arises. The obligations of the Guarantors hereunder shall be evidenced by Guarantees affixed to the Securities issued hereunder.

An Event of Default under this Indenture or the Securities shall constitute an event of default under the Guarantees, and shall entitle the Holders to accelerate the obligations of the Guarantors hereunder in the same manner and to the same extent as the obligations of the Company.

The obligations of the Guarantors hereunder shall be absolute and unconditional and shall remain in full force and effect until the entire principal and interest and any premium on the Securities shall have been paid or provided for in accordance with provisions of this Indenture, and, unless otherwise expressly set forth in this Article, such obligations shall not be affected, modified or impaired upon the happening from time to time of any event, including without limitation any of the following, whether or not with notice to, or the consent of, the Guarantors:

(a) the failure to give notice to the Guarantors of the occurrence of an Event of Default;

(b) the waiver, surrender, compromise, settlement, release or termination of the payment, performance or observance by the Company or the Guarantors of any or all of the obligations, covenants or agreements of either of them contained in this Indenture or the Securities;

(c) the acceleration, extension or any other changes in the time for payment of any principal of or interest or any premium on any Security or for any other payment under this Indenture or of the time for performance of any other obligations, covenants or agreements under or arising out of this Indenture or the Securities;

(d) the modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in this Indenture or the Securities;

(e) the taking or the omission of any of the actions referred to in this Indenture and in any of the actions under the Securities;

(f) any failure, omission, delay or lack on the part of the Trustee to enforce, assert or exercise any right, power or remedy conferred on the Trustee in this Indenture, or any other action or acts on the part of the Trustee or any of the Holders from time to time of the Securities;

(g) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets, marshaling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment of, or other similar proceedings affecting the Guarantors or the Company or any of the assets of any of them, or any allegation or contest of the validity of the Guarantee in any such proceedings;

(h) to the extent permitted by law, the release or discharge by operation of law of the Guarantors from the performance or observance of any obligation, covenant or agreement contained in this Indenture;

(i) to the extent permitted by law, the release or discharge by operation of law of the Company from the performance or observance of any obligation, covenant or agreement contained in this Indenture;

(j) the default or failure of the Company or the Trustee fully to perform any of its obligations set forth in this Indenture or the Securities;

(k) the invalidity, irregularity or unenforceability of this Indenture or the Securities or any part of any thereof;

(l) any judicial or governmental action affecting the Company or any Securities or consent or indulgence granted by the Company by the Holders or by the Trustee; or

(m) the recovery of any judgment against the Company or any action to enforce the same or any other circumstance which might constitute a legal or equitable discharge of a surety or guarantor.

The Guarantees shall remain in full force and effect and continue to be effective should any petition be filed by or against the Company for liquidation or reorganization of the Company, should the Company become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of the Company's assets, and shall, to the fullest extent permitted by law, continue to be effective or be reinstated, as the case may be, if at any time any payment in respect of the Securities is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee on the Securities, whether as a "voidable preference," "fraudulent transfer" or otherwise, all as though such payment had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Securities shall, to the fullest extent permitted by law, be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

The Guarantors shall have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of the Holders under the Guarantees.

The validity and enforceability of any Guarantee shall not be affected by the fact that it is not affixed to any particular Security.

Each of the Guarantors hereby agrees that its Guarantee set forth in this Section shall remain in full force and effect notwithstanding any failure to endorse on each Security a notation of such Guarantee.

If an officer of a Guarantor whose signature is on this Indenture or a Security no longer holds that office at the time the Trustee authenticates such Security or at any time thereafter, such Guarantor's Guarantee of such Security shall be valid nevertheless.

The delivery of any Security by the Trustee, after the authentication thereof hereunder shall constitute due delivery of any Guarantee set forth in this Indenture on behalf of the Guarantor.

SECTION 1602. Proceedings Against Guarantors. In the event of a default in the payment of principal of or any premium on any Security when and as the same shall become due, whether at the Stated Maturity thereof, by acceleration, call for redemption or otherwise, or in the event of a default in the payment of any interest on any Security when and as the same shall become due, the Trustee shall have the right to proceed first and directly against the Guarantors

under this Indenture without first proceeding against the Company or exhausting any other remedies which it may have and without resorting to any other Security held by the Trustee.

The Trustee shall have the right, power and authority to do all things it deems necessary or otherwise advisable to enforce the provisions of this Indenture relating to the Guarantees and protect the interests of the Holders of the Securities and, in the event of a default in payment of the principal of or any premium on any Security when and as the same shall become due, whether at the Stated Maturity thereof, by acceleration, call for redemption or otherwise, or in the event of a default in the payment of any interest on any Security when and as the same shall become due, the Trustee may institute or appear in such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any of its rights and the rights of the Holders, whether for the specific enforcement of any covenant or agreement in this Indenture relating to the Guarantee or in aid of the exercise of any power granted herein, or to enforce any other proper remedy. Without limiting the generality of the foregoing, in the event of a default in payment of the principal of or interest or any premium on any Security when due, the Trustee may institute a judicial proceeding for the collection of the sums so due and unpaid, and may prosecute such proceeding to judgment or final decree, and may enforce the same against the Guarantors and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Guarantors, wherever situated.

SECTION 1603. Guarantees for Benefit of Holders. The Guarantees contained in this Indenture are entered into by the Guarantors for the benefit of the Holders from time to time of the Securities. Such provisions shall not be deemed to create any right in, or to be in whole or in part for the benefit of, any person other than the Trustee, the Guarantors, the Holders from time to time of the Securities, and their permitted successors and assigns.

SECTION 1604. Merger or Consolidation of Guarantors. Each Guarantor will not, in any transaction or series of related transactions, consolidate with, or sell, lease, assign, transfer or otherwise convey all or substantially all of its assets to, or merge with or into, any other Person unless (i) either such Guarantor shall be the continuing Person, or the successor Person (if other than such Guarantor) formed by or resulting from any such consolidation or merger or which shall have received the transfer of such assets is a corporation, partnership, limited liability company or other entity organized and existing under the laws of the United States of America or a State thereof or the District of Columbia and shall expressly assume, by supplemental indenture executed by such successor and delivered by it to the Trustee (which supplemental indenture shall comply with Article Nine hereof and shall be reasonably satisfactory to the Trustee), all of such Guarantor's obligations with respect to Securities Outstanding and the observance of all of the covenants and conditions contained in this Indenture and its Guarantee to be performed or observed by the Guarantor; (ii) immediately after giving effect to such transaction, no Event of Default, and no event which, after notice or the lapse of time, or both, would become an Event of Default, shall have occurred and shall be continuing; and (iii) such Guarantor shall have delivered to the Trustee the Officers' Certificate and Opinion of Counsel required pursuant to this Section. In the event that such Guarantor is not the continuing corporation, then, for purposes of clause (ii) of the preceding sentence, the successor shall be

deemed to be such “Guarantor” referred to in such clause (ii). Any consolidation, merger, sale, lease, assignment, transfer or conveyance permitted under this Section is also subject to the condition precedent that the Trustee receive an Officers’ Certificate and an Opinion of Counsel to the effect that any such consolidation, merger, sale, lease, assignment, transfer or conveyance, and the assumption by any successor, complies with the provisions of this Article and that all conditions precedent herein provided for relating to such transaction have been complied with.

SECTION 1605. Additional Guarantors. Any Person may become a Guarantor by executing and delivering to the Trustee (a) a supplemental indenture, which subjects such person to the provisions of this Indenture as a Guarantor, and (b) an Opinion of Counsel to the effect that such supplemental indenture has been duly authorized and executed by such person and constitutes the legal, valid, binding and enforceable obligation of such person (subject to such customary exceptions concerning fraudulent conveyance laws, creditors’ rights and equitable principles).

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed, all as of the day and year first above written.

PROLOGIS, L.P.

By: PROLOGIS, INC.,
As General Partner

By: /s/ Phillip D. Joseph, Jr.
Name: Phillip D. Joseph, Jr.
Title: Senior Vice President and Treasurer

PROLOGIS, INC.,
As Guarantor

By: /s/ Phillip D. Joseph, Jr.
Name: Phillip D. Joseph, Jr.
Title: Senior Vice President and Treasurer

U.S. BANK NATIONAL ASSOCIATION,
As Trustee

By: /s/ Beverly A. Freeney
Name: Beverly A. Freeney
Title: Vice President

PROLOGIS, L.P.

as Issuer,

PROLOGIS, INC., as Parent Guarantor

and

U.S. BANK NATIONAL ASSOCIATION

as Trustee

FIRST SUPPLEMENTAL INDENTURE

Dated as of June 8, 2011

2.250% Exchangeable Senior Notes due 2037

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FIRST SUPPLEMENTAL INDENTURE

2.250% Exchangeable Senior Notes due 2037

THIS FIRST SUPPLEMENTAL INDENTURE (this "First Supplemental Indenture") is dated as of June 8, 2011, by and among PROLOGIS, L.P., a Delaware limited partnership (hereinafter called the "Company"), having its principal office at Pier 1, Bay 1, San Francisco, California 94111, PROLOGIS, INC., a Maryland corporation (hereinafter called "Parent"), having its principal office at Pier 1, Bay 1, San Francisco, California 94111 and U.S. BANK NATIONAL ASSOCIATION, as Trustee under the Base Indenture (hereinafter called the "Trustee"), having its Corporate Trust Office at 100 Wall Street, Suite 1600, New York, New York 10005, under the Base Indenture (defined below).

RECITALS:

The Company, Parent and the Trustee have heretofore entered into an Indenture dated as of June 8, 2011 (the "Base Indenture"), among the Company, Parent and the Trustee, providing for the issuance by the Company from time to time of its senior debt securities evidencing its unsubordinated indebtedness (the "Securities").

Section 301 of the Base Indenture provides for various matters with respect to any series of Securities issued under the Base Indenture to be established in an indenture supplemental to the Base Indenture.

Section 901(7) of the Base Indenture provides for the Company, Parent and the Trustee to enter into an indenture supplemental to the Base Indenture to establish the form or terms of Securities of any series as provided by Sections 201 and 301 of the Base Indenture without the consent of the Holders of any Securities.

WHEREAS, for its lawful corporate purposes, the Company has duly authorized the issue of its 2.250% Exchangeable Senior Notes due 2037 (hereinafter referred to as the "Notes"), initially in an aggregate principal amount not to exceed $549,041,000, and in order to provide the terms and conditions upon which the Notes are to be authenticated, issued and delivered, the Board of Directors has duly authorized the execution and delivery of this First Supplemental Indenture; and

WHEREAS, the Notes, the certificate of authentication to be borne by the Notes, a form of assignment, a form of the Fundamental Change Repurchase Notice, a form of option to elect repayment on a Put Right Repurchase Date, a form of exchange notice, a form of certificate of transfer and the Guarantee to be borne by the Notes are to be substantially in the forms hereinafter provided for; and

All things necessary to make the Base Indenture, as hereby modified, a valid agreement of the Company and Parent, in accordance with its terms, have been done.

NOW THEREFORE, THIS FIRST SUPPLEMENTAL INDENTURE WITNESSETH:

For and in consideration of the premises and of the covenants contained herein and in the Base Indenture, the Company, Parent and the Trustee covenant and agree, for the equal and

proportionate benefit of all Holders of the Notes issued on or after the date of this First Supplemental Indenture, as follows:

ARTICLE I

DEFINITIONS

Section 1.01 *Relation to Base Indenture.* This First Supplemental Indenture constitutes an integral part of the Base Indenture.

Section 1.02 *Definitions*. For all purposes of this First Supplemental Indenture, except as otherwise expressly provided for or unless the context otherwise requires:

(a) Capitalized terms used but not defined herein shall have the respective meanings assigned to them in the Base Indenture;

(b) Terms defined both herein and in the Base Indenture shall have the meanings assigned to them herein;

(c) All references herein to Articles and Sections, unless otherwise specified, refer to the corresponding Articles and Sections of this First Supplemental Indenture; and

(d) All other terms used in this First Supplemental Indenture, which are defined in the Trust Indenture Act or which are by reference therein defined in the Securities Act (except as herein otherwise expressly provided or unless the context otherwise requires) shall have the meanings assigned to such terms in said Trust Indenture Act and in said Securities Act as in force at the date of the execution of this First Supplemental Indenture. The words "herein," "hereof," "hereunder," and words of similar import refer to this First Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision. The terms defined in this Article include the plural as well as the singular.

"Additional Shares" shall have the meaning specified in Section 8.01(g).

"Board of Directors" means the board of directors of Parent or, if Parent shall be succeeded by a corporation pursuant to Article VII, the board of directors of Parent's corporate successor or any committee of such applicable board of directors duly authorized to act generally or in any particular respect hereunder.

"Business Day" means any day, other than a Saturday or Sunday, or legal holidays on which banks in The City of New York are not authorized or required by law or executive order to be closed.

"cash percentage" shall have the meaning specified in Section 8.02(a)(4).

"cash percentage notice" shall have the meaning specified in Section 8.02(a)(4).

"close of business" means 5:00 p.m. (New York City time).

"Common Stock" means, subject to Section 8.06, the common stock of Parent, par value $0.01 per share, at the date of this First Supplemental Indenture or shares of any class or classes resulting from any reclassification or reclassifications thereof and that have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation, dissolution or winding up of Parent and that are not subject to redemption by Parent; *provided* that if at any time there shall be more than one such resulting class, the shares of each such class then so issuable shall be substantially in the proportion which the total number of shares of such class resulting from all such reclassifications bears to the total number of shares of all such classes resulting from all such reclassifications.

"Company" means Prologis, L.P., a Delaware limited partnership, and subject to the provisions of Article VII, shall include its successors and assigns.

"Company Put Right Notice" shall have the meaning specified in Section 9.01(c).

"Company Put Right Notice Date" shall have the meaning specified in Section 9.01(c).

"Daily Exchange Value" means, for each of the 20 consecutive Trading Days during the Observation Period, one-twentieth (1/20) of the product of (a) the applicable Exchange Rate and (b) the Daily VWAP of the Common Stock (or the Reference Property, if applicable) on such day.

"Daily Settlement Amount," for each of the 20 Trading Days during the Observation Period, shall consist of:

(i) cash equal to the lesser of $50 and the Daily Exchange Value relating to such day; and

(ii) if such Daily Exchange Value exceeds $50, a number of shares of Common Stock equal to (A) the difference between such Daily Exchange Value and $50, divided by (B) the Daily VWAP of the shares of Common Stock for such day, subject to the Company's right to deliver cash in lieu of all or a portion of such shares of Common Stock pursuant to Section 8.02(a)(4) hereof.

"Daily VWAP" for the Common Stock means, for each of the 20 consecutive Trading Days during the Observation Period, the per share volume-weighted average price as displayed under the heading "Bloomberg VWAP" on Bloomberg page PLD <equity> AQR in respect of the period from 9:30 a.m. to 4:00 p.m. (New York City time) on such Trading Day (or if such volume-weighted average price is unavailable, the market value of one share of Common Stock on such Trading Day as the Board of Directors determines in good faith using a volume-weighted method).

"Depositary" means, with respect to the Notes issuable or issued in whole or in part in global form, the person specified in the Base Indenture as the Depositary with respect to such Notes, until a successor shall have been appointed and become such pursuant to the applicable provisions of this First Supplemental Indenture, and thereafter, "Depositary" shall mean or include such successor.

"Distributed Property" shall have the meaning specified in Section 8.04(c).

"Dividend Threshold Amount" shall have the meaning specified in Section 8.04(d).

"Effective Date" shall have the meaning specified in Section 8.01(g)(ii).

"Event of Default" means, with respect to the Notes, any event specified in Section 5.01, continued for the period of time, if any, and after the giving of notice, if any, therein designated.

"Ex-Date" means, with respect to any issuance or distribution on the Common Stock or any other equity security, the first date on which the shares of Common Stock or such other equity security trade on the applicable exchange or in the applicable market, regular way, without the right to receive such issuance or distribution.

"Ex-Dividend Date" means, with respect to Section 8.01(e), the first date upon which a sale of the shares of Common Stock does not automatically transfer the right to receive the relevant dividend from the seller of the shares of Common Stock to its buyer.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Exchange Agent" shall mean the Trustee or any successor office or agency where the Notes may be surrendered for exchange.

"Exchange Date" shall have the meaning specified in Section 8.02(c).

"Exchange Obligation" shall have the meaning specified in Section 8.01(a).

"Exchange Price" means as of any date $1,000 divided by the Exchange Rate as of such date.

"Exchange Rate" shall have the meaning specified in Section 8.01(a).

"Exchange Trigger Price" shall have the meaning specified in Section 8.01(c).

"Fundamental Change" shall be deemed to occur upon the consummation of any transaction or event (whether by means of an exchange offer, liquidation, tender offer, consolidation, merger, combination, reclassification, recapitalization or otherwise) in connection with which more than 50% of the shares of Common Stock are exchanged for, converted into, acquired for or constitutes solely the right to receive, consideration which is not at least 90% common stock (or American Depositary Shares representing shares of common stock) that is: (a) listed on, or immediately after the consummation of such transaction or event, will be listed on, a United States national securities exchange or (b) approved, or immediately after such transaction or event will be approved, for listing or quotation on any United States system of automated dissemination of quotations of securities prices.

"Fundamental Change Company Notice" shall have the meaning specified in Section 9.02(b).

"Fundamental Change Repurchase Date" shall have the meaning specified in Section 9.02(a).

"Fundamental Change Repurchase Notice" shall have the meaning specified in Section 9.02(a)(i).

"Fundamental Change Repurchase Price" shall have the meaning specified in Section 9.02(a).

"Global Note" shall have the meaning specified in Section 2.06(e).

"Independent Securities Dealer" shall have the meaning specified in Section 8.01(b).

"interest" means, when used with reference to the Notes, any interest payable under the terms of the Notes.

"Interest Payment Date" means April 1 and October 1 of each year, beginning on October 1, 2011.

"Last Reported Sale Price" means, with respect to the shares of Common Stock or any other security for which a Last Reported Sale Price must be determined, on any date, the closing sale price per share of the Common Stock or unit of such other security (or, if no closing sale price is reported, the average of the last bid and last ask prices or, if more than one in either case, the average of the average last bid and the average last ask prices) on such date as reported in composite transactions for the principal United States securities exchange on which the Common Stock or such other security is traded. If the Common Stock or such other security is not listed for trading on a United States national or regional securities exchange on the relevant date, the Last Reported Sale Price shall be the last quoted bid price per share of Common Stock or such other security in the over-the-counter market on the relevant date, as reported by the National Quotation Bureau or similar organization. If the shares of Common Stock or such other security are not so quoted, the Last Reported Sale Price shall be the average of the mid-point of the last bid and ask prices per share of Common Stock or such other security on the relevant date from each of at least three nationally recognized independent investment banking firms selected from time to time by the Board of Directors for that purpose. The Last Reported Sale Price shall be determined without reference to extended or after-hours trading.

"Market Disruption Event" means the occurrence or existence for more than a one-half hour period in the aggregate on any scheduled Trading Day for the Common Stock of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the stock exchange or otherwise) in the Common Stock or in any options, contracts or future contracts relating to the Common Stock, and such suspension or limitation occurs or exists at any time before 1:00 p.m. (New York City time) on such day.

"Maturity Date" means April 1, 2037.

"Measurement Period" shall have the meaning specified in Section 8.01(b).

"Merger Event" shall have the meaning specified in Section 8.06.

"Noteholder" or "Holder" or "holder," as applied to any Note, or other similar terms (but excluding the term "beneficial holder"), means any person in whose name at the time a particular Note is registered on the Security Register.

"Notice of Exchange" shall have the meaning specified in Section 8.02(c).

"Observation Period" means the 20 consecutive Trading Day period beginning on and including the second Trading Day after the related Exchange Date in respect of such Note.

"opening of business" means 9:00 a.m. (New York City time).

"Parent" means Prologis, Inc., a Maryland corporation, and subject to the provisions of Article VII, shall include its successors and assigns.

"Predecessor Note" of any particular Note means every previous Note evidencing all or a portion of the same debt as that evidenced by such particular Note; and, for the purposes of this definition, any Note authenticated and delivered under Section 306 of the Base Indenture in lieu of a lost, destroyed or stolen Note shall be deemed to evidence the same debt as the lost, destroyed or stolen Note that it replaces.

"Put Right Repurchase Date" shall have the meaning assigned to it in Section 9.01(b).

"Put Right Repurchase Notice" shall have the meaning assigned to it in Section 9.01(b)(i).

"Put Right Repurchase Price" shall have the meaning assigned to it in Section 9.01(b).

"Record Date," with respect to the payment of interest on any Interest Payment Date, shall have the meaning specified in Section 2.03.

"Reference Property" shall have the meaning specified in Section 8.06(b).

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Settlement Amount" shall have the meaning specified in Section 8.02(a)(1).

"Spin-Off" shall have the meaning specified in Section 8.04(c).

"Stock Price" means the price paid per share of Common Stock in connection with a Fundamental Change pursuant to which Additional Shares shall be added to the Exchange Rate as set forth in Section 8.01(e)(ii) hereof, which shall be equal to (i) if holders of shares of Common Stock receive only cash in such Fundamental Change, the cash amount paid per share of Common Stock and (ii) in all other cases, the average of the Last Reported Sale Prices of the Common Stock over the five consecutive Trading Day period ending on the Trading Day preceding the Effective Date of the Fundamental Change.

"Trading Day" means a day during which (i) trading in Common Stock generally occurs, (ii) there is no Market Disruption Event and (iii) a Last Reported Sale Price of the Common Stock (other than a Last Reported Sale Price referred to in the next to last sentence of such definition) is available for such day; *provided* that if the shares of Common Stock are not admitted for trading or quotation on or by any exchange, bureau or other organization referred to in the definition of Last Reported Sale Price (excluding the next to last sentence of that definition), Trading Day shall mean any Business Day.

"Trading Price" with respect to the Notes, on any date of determination, means the average of the secondary market bid quotations obtained by the Company and delivered to the Trustee for $2.0 million principal amount of Notes at approximately 3:30 p.m., New York City time, on such determination date from three independent nationally recognized securities dealers selected by the Company; *provided* that if three such bids cannot reasonably be obtained, but two such bids are obtained, then the average of the two bids shall be used, and if only one such bid can reasonably be obtained, that one bid shall be used. If the Company cannot reasonably obtain at least one bid for $2.0 million principal amount of Notes from a nationally recognized securities dealer, then the Trading Price per $1,000 principal amount of Notes will be deemed to be less than 98% of the product of the Last Reported Sale Price of the Common Stock and the Exchange Rate.

"Trigger Event" shall have the meaning specified in Section 8.04(c).

ARTICLE II

ISSUE, DESCRIPTION, EXECUTION, REGISTRATION AND EXCHANGE OF NOTES

Section 2.01 *Designation and Amount*. The Notes shall be designated as the "2.250% Exchangeable Senior Notes due 2037." The aggregate principal amount of Notes that may be authenticated and delivered under this First Supplemental Indenture is initially limited to $549,041,000, subject to Section 2.07 and except for Notes authenticated and delivered upon registration or transfer of, or in exchange for, or in lieu of other Notes pursuant to Section 2.06, Section 8.02 and Section 9.02 hereof and Section 306 and Section 906 of to the Base Indenture.

Section 2.02 *Form of Notes*. The Notes, the Guarantee and the Trustee's certificate of authentication to be borne by such Notes shall be substantially in the form set forth in Exhibit A.

Any of the Notes may have such letters, numbers or other marks of identification and such notations, legends or endorsements as the officers executing the same may approve (execution thereof to be conclusive evidence of such approval) and as are not inconsistent with the provisions of this First Supplemental Indenture, or as may be required by the Depositary, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any securities exchange or automated quotation system on which the Notes may be listed or designated for issuance, or to conform to usage or to indicate any special limitations or restrictions to which any particular Notes are subject.

A Global Note shall represent such principal amount of the Outstanding Notes as shall be specified therein and shall provide that it shall represent the aggregate principal amount of Outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of Outstanding Notes represented thereby may from time to time be increased or reduced to reflect repurchases, conversions, transfers or exchanges permitted hereby. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the amount of Outstanding Notes represented thereby shall be made by the Trustee or the Custodian, at the direction of the Trustee, in such manner and upon instructions given by the Holder of such Notes in accordance with this First Supplemental Indenture. Payment of principal and accrued and unpaid interest on a Global Note shall be made to the Holder of such Note on the date of payment, unless a Record Date or other means of determining Holders eligible to receive payment is provided for herein.

The terms and provisions contained in the form of Note attached as Exhibit A hereto are incorporated herein and shall constitute, and are hereby expressly made, a part of this First Supplemental Indenture and to the extent applicable, the Company, Parent and the Trustee, by their execution and delivery of this First Supplemental Indenture, expressly agree to such terms and provisions and to be bound thereby.

Section 2.03 *Date and Denomination of Notes; Payments of Interest*. The Notes shall be issuable in registered form without coupons in denominations of $1,000 principal amount and integral multiples thereof. Each Note shall be dated the date of its authentication and shall bear interest from the date specified on the face of the form of Note attached as Exhibit A hereto. Interest on the Notes shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

The Person in whose name any Note (or its Predecessor Note) is registered on the Security Register at the close of business on any Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date. Interest shall be payable at the office of the Company maintained by the Company for such purposes in the Borough of Manhattan, City of New York, which shall initially be an office or agency of the Trustee. The Company shall pay interest (i) on any Notes in certificated form by check mailed to the address of the Person entitled thereto as it appears in the Security Register (or upon written application by such Person to the Security Registrar not later than the relevant record date, by wire transfer in immediately available funds to such Person's account within the United States, if such Person is entitled to interest on an aggregate principal in excess of $1,000,000) or (ii) on any Global Note by wire transfer of immediately available funds to the account of the Depositary or its nominee. The term "Record Date" with respect to any Interest Payment Date shall mean the March 15 or September 15 preceding the applicable April 1 or October 1 Interest Payment Date, respectively.

Section 2.04 *Intentionally Omitted.*

Section 2.05 *Execution, Authentication and Delivery of Notes*. Section 303 of the Base Indenture shall be applicable to the Notes.

Section 2.06 *Exchange and Registration of Transfer of Notes; Restrictions on Transfer; Depositary.*

(a) The Company shall provide for the registration of the Notes and of transfers of the Notes in the Security Register. Upon surrender for registration of transfer of any Note to the Security Registrar or any co-registrar, and satisfaction of the requirements for such transfer set forth in this Section 2.06, the Company shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Notes of any authorized denominations and of a like aggregate principal amount.

Notes may be exchanged for other Notes of any authorized denominations and of a like aggregate principal amount, upon surrender of the Notes to be exchanged at any such office or agency maintained by the Company pursuant to Section 4.02. Whenever any Notes are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Notes which the Noteholder making the exchange is entitled to receive, bearing registration numbers not contemporaneously outstanding.

All Notes presented or surrendered for registration of transfer or for exchange, repurchase or conversion shall (if so required by the Company, the Trustee, the Security Registrar or any co-registrar) be duly endorsed, or be accompanied by a written instrument or instruments of transfer in form satisfactory to the Company and duly executed, by the Noteholder thereof or his attorney-in-fact duly authorized in writing.

No service charge shall be charged to the Noteholder for any exchange or registration of transfer of Notes, but the Company or the Trustee may require payment of a sum sufficient to cover any tax, assessments or other governmental charges that may be imposed in connection therewith.

None of the Company, the Trustee, the Security Registrar or any co-registrar shall be required to exchange or register a transfer of (a) any Notes surrendered for exchange or, if a portion of any Note is surrendered for exchange, such portion thereof surrendered for exchange or (b) any Notes, or a portion of any Note, surrendered for repurchase (and not withdrawn) in accordance with Article IX hereof.

All Notes issued upon any registration of transfer or exchange of Notes in accordance with this First Supplemental Indenture shall be the valid, binding and legal obligations of the Company, evidencing the same debt, and entitled to the same benefits under this First Supplemental Indenture as the Notes surrendered upon such registration of transfer or exchange.

(b) *Intentionally Omitted.*

(c) *Intentionally Omitted.*

(d) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this instrument or under applicable law with respect to any transfer of any interest in any Note other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by, the terms of this instrument, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

(e) So long as the Notes are eligible for book-entry settlement with the Depositary, unless otherwise required by law, all Notes shall be represented by one or more Notes in global form (each, a "Global Note") registered in the name of the Depositary or the nominee of the Depositary. The transfer and exchange of beneficial interests in a Global Note, which does not involve the issuance of a definitive Note, shall be effected through the Depositary (but not the Trustee or the Custodian) in accordance with this First Supplemental Indenture (including the restrictions on transfer set forth herein) and the procedures of the Depositary therefor.

Section 2.07 *Additional Notes; Repurchases.* The Company may, without the consent of the Noteholders and notwithstanding Section 2.01, issue additional Notes hereunder with the same terms and with the same CUSIP number as the Notes initially issued hereunder in an unlimited aggregate principal amount, which will form the same series with the Notes initially issued hereunder, *provided* that no such additional Notes may be issued unless fungible with the Notes initially issued hereunder for United States federal income tax purposes. The Company may also from time to time repurchase the Notes in open market purchases by tender at any price or by private agreement without prior notice to Noteholders.

Section 2.08 *No Sinking Fund.* The provisions of Article Twelve of the Base Indenture shall not be applicable to the Notes. No sinking fund is provided for the Notes.

Section 2.09 *Ranking*. The Notes constitute a senior general obligation of the Company, ranking equally with other existing and future senior and unsubordinated indebtedness of the Company and ranking senior in right of payment to any future indebtedness of the Company that is expressly made subordinate to the Notes by the terms of such indebtedness.

ARTICLE III

REDEMPTION

Section 3.01 *Right to Redeem.*

(a) Notwithstanding any provision of the Base Indenture, as modified by this First Supplemental Indenture, to the contrary, the Company may redeem the Notes prior to April 1, 2037, in whole, in order to preserve Parent's status as a real estate investment trust under the Code.

(b) Except as provided in Section 3.01(a), the Company may not redeem the Notes prior to April 5, 2012. On or after April 5, 2012, the Company, at its option, may redeem the Notes from time to time in whole or in part.

(c) Any redemption of Notes shall be at a Redemption Price equal to 100% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest; *provided*, *however*, that the Company may deduct and withhold from such Redemption Price any amount required to be deducted and withheld under applicable law.

Section 3.02 *Selection of Notes to be Redeemed.*

(a) The provisions of Section 1103 of the Base Indenture shall govern the selection of Notes to be redeemed by the Trustee; *provided*, *however*, that if less than all of the Notes are to be redeemed, the Trustee shall make the selection from the Notes of that series Outstanding and not previously called for redemption, by lot, or in its discretion, on a pro rata basis.

(b) If any Note selected for partial redemption is exchanged in part before termination of the exchange right with respect to the portion of the Note so selected, the exchanged portion of such Note shall be deemed to be part of the portion selected for redemption. Notes which have been exchanged subsequent to the Trustee commencing selection of Notes to be redeemed but prior to redemption of such Notes shall be treated by the Trustee as Outstanding for the purpose of such selection.

Section 3.03 *Notice of Redemption.* The provisions of Section 1104 of the Base Indenture shall govern notices of redemption of the Notes; *provided*, *however*, that in addition to the information specified in Section 1104 of the Base Indenture, notices of redemption of the Notes shall also state:

(a) the then-current Exchange Price;

(b) the name and address of the Exchange Agent;

(c) that Holders who wish to exchange Notes must surrender such Notes for exchange no later than the close of business on the second Business Day immediately preceding the Redemption Date and must satisfy the other requirements set forth herein; and

(d) whether the Company will satisfy its Exchange Obligation with respect to any Notes called for redemption that are surrendered for exchange in cash, shares of Common Stock or both as provided herein; *provided* that the Company may not provide notice of a redemption of Notes at the Company's option that specifies that the Company will settle exchanges of Notes prior to such redemption in cash and shares of Common Stock unless, at the time of such notice, the Company has available to it a sufficient number of authorized shares of Common Stock to satisfy its Exchange Obligation in respect of the Notes to be redeemed.

ARTICLE IV

PARTICULAR COVENANTS OF THE COMPANY

Section 4.01 *Payment of Principal and Interest.*

(a) Sections 307 and 1001 of the Base Indenture shall apply to the Notes; *provided*, *however*, that, with respect to any Noteholder with an aggregate principal amount in excess of $1,000,000, at the application of such Holder in writing to the Security Registrar not later than the relevant record date, accrued and unpaid interest on such Holder's Notes shall be paid by wire transfer in immediately available funds to such Holder's account in the United States supplied by such Holder from time to time to the Trustee and Paying Agent (if different from Trustee); *provided further* that payment of accrued and unpaid interest made to the

Depositary shall be paid by wire transfer in immediately available funds in accordance with such wire transfer instructions and other procedures provided by the Depositary from time to time.

(b) Except as otherwise provided in this Section 4.01(b), a Holder of any Notes at the close of business on a Record Date shall be entitled to receive interest on such Notes on the corresponding Interest Payment Date. A Holder of any Notes as of a Record Date that are exchanged after the close of business on such Record Date and prior to the opening of business on the corresponding Interest Payment Date shall be entitled to receive interest on the principal amount of such Notes, notwithstanding the exchange of such Notes prior to such Interest Payment Date. However, a Holder that surrenders any Notes for exchange between the close of business on a Record Date and the opening of business on the corresponding Interest Payment Date shall be required to pay the Company an amount equal to the interest payable by the Company with respect to such Notes on such Interest Payment Date at the time such Holder surrenders such Notes for exchange, *provided*, *however*, that this sentence shall not apply to a Holder that exchanges Notes:

(i) in respect of which the Company has given notice of redemption pursuant to Section 3.03 on a Redemption Date that is after the relevant Record Date and on or prior to the relevant Interest Payment Date; or

(ii) to the extent of any overdue interest, if any overdue interest exists at the time of exchange with respect to such Notes;

(iii) in connection with a Fundamental Change in which the Company has specified a Fundamental Change Repurchase Date that is after a Record Date and on or prior to the next Interest Payment Date; or

(iv) after the Record Date immediately preceding the Maturity Date.

Accordingly, a Holder that exchanges Notes under any of the circumstances described in clauses (i), (ii), (iii) or (iv) above will not be required to pay to the Company an amount equal to the interest payable by the Company with respect to such Notes on the relevant Interest Payment Date.

Section 4.02 *Maintenance of Office or Agency for Exchange Agent*. If at any time the Exchange Agent is not the Trustee or an office or agency designated or appointed by the Trustee, the Company will give prompt written notice to the Trustee of the location of such Exchange Agent. If at any time the Company shall fail to maintain an office or agency for the Exchange Agent, presentations, surrenders, notices and demands related to exchanges of Notes may be made or served at the Corporate Trust Office or the office or agency of the Trustee in the Borough of Manhattan, the City of New York.

Section 4.03 *Intentionally Omitted.*

Section 4.04 *Intentionally Omitted.*

Section 4.05 *Exclusion of Certain Provisions From Base Indenture.* Section 1004, Section 1006, Section 1007, Section 1011 and Article Fourteen of the Base Indenture

shall not apply to the Notes. Section 1002, Section 1003, Section 1005, Section 1008, Section 1009, Section 1010 and Section 1012 of the Base Indenture shall be applicable to the Notes.

ARTICLE V

DEFAULTS AND REMEDIES

Section 5.01 *Events of Default*. The provisions of Section 501(2) and Section 501(3) of the Base Indenture shall not be applicable to the Notes. As contemplated under Section 301 and Section 501(9) of the Base Indenture, the following events, in addition to the events described in clauses (1), (4), (5), (6), (7) and (8) of Section 501 of the Base Indenture, shall be Events of Default with respect to the Notes:

(a) default in the payment of principal or premium, if any, of any Note when due and payable on the Maturity Date, upon redemption, repurchase, declaration or otherwise;

(b) failure by the Company to comply with its obligation to exchange the Notes into cash, shares of Common Stock or a combination of cash and shares of Common Stock, as applicable, upon exercise of a Holder's exchange right, and such failure continues for a period of ten days; or

(c) failure by the Company to issue a Fundamental Change Company Notice in accordance with Section 9.02 when due, and such failure continues for a period of two days.

Section 5.02 *Article Five of Base Indenture*. Except as amended by Section 5.01 hereof, all of the provisions of Article Five of the Base Indenture shall be applicable to the Notes.

ARTICLE VI

SUPPLEMENTAL INDENTURES

Section 6.01 *Supplemental Indentures Without Consent of Noteholders*. The provisions of Section 901 of the Base Indenture shall be applicable to the Notes.

Section 6.02 *Modification and Amendment with Consent of Noteholders*. Section 902 of the Base Indenture shall be applicable to the Notes. As contemplated by Sections 301 and 902 of the Base Indenture, no supplemental indenture shall, without the consent of the Holder of each Outstanding Note affected thereby:

(a) make any change that adversely affects the exchange rights of any Notes;

(b) reduce the Fundamental Change Repurchase Price, Redemption Price or Put Right Repurchase Price of any Note, or amend or modify in any manner adverse to Noteholders the Company's obligation to make such payments or Article III or Article IX of this First Supplemental Indenture, whether through an amendment or waiver of provisions in the covenants, definitions or otherwise.

Section 6.03 *Effect of Supplemental Indentures*. Upon the execution of any supplemental indenture under this Article, the Base Indenture and this First Supplemental Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this First Supplemental Indenture for all purposes; and every Holder of Notes theretofore or thereafter authenticated and delivered hereunder and of any coupon appertaining thereto shall be bound thereby.

Section 6.04 *Article Nine of Base Indenture*. Except as amended by this Article VI, all of the provisions of Article Nine of the Base Indenture shall be applicable to the Notes.

ARTICLE VII

CONSOLIDATION, MERGER, SALE, CONVEYANCE AND LEASE

Section 7.01 *Company May Consolidate, Etc. on Certain Terms*. Article Eight of the Base Indenture shall be applicable to the Notes.

ARTICLE VIII

EXCHANGE OF NOTES

Section 8.01 *Exchange Privilege*.

(a) Subject to the conditions described in clauses (b) through (f) below and to Section 8.11 hereof, and upon compliance with the provisions of this Article VIII, a Holder of Notes shall have the right, at such Holder's option, to exchange all or any portion (if the portion to be exchanged is $1,000 principal amount or an integral multiple thereof) of such Note at any time prior to the close of business on the scheduled Trading Day immediately preceding February 1, 2012 at a rate (the "Exchange Rate") of 5.8752 shares of Common Stock (subject to adjustment by the Company as provided in Section 8.04) per $1,000 principal amount of Notes (the "Exchange Obligation") under the circumstances and during the periods set forth below. On and after February 1, 2012, regardless of the conditions described in clause (b) through (f) below, upon compliance with the provisions of this Article VIII and subject to Section 8.11 hereof, a Noteholder shall have the right, at such holder's option, to exchange all or any portion (if the portion to be exchanged is $1,000 principal amount or an integral multiple thereof) of such Note at any time prior to the close of business on the scheduled Trading Day immediately preceding the Maturity Date at an Exchange Rate of 5.8752 shares of Common Stock (subject to adjustment by the Company as provided in Section 8.04) per $1,000 principal amount of Notes.

(b) (1) A Holder of Notes shall have the right, at such Holder's option, to exchange its Notes prior to February 1, 2012, during the five Business Day period immediately after any ten consecutive Trading Day period (the "Measurement Period") in which the Trading Price per $1,000 principal amount of Notes for each day of such Measurement Period was less than 98% of the product of the Last Reported Sale Price of the Common Stock on such date and the Exchange Rate on such date, all as determined by the Trustee in the manner described in the immediately succeeding paragraph. The Trustee shall have no obligation to determine the

Trading Price of the Notes unless requested by the Company to do so in writing, and the Company shall have no obligation to make such request unless a Noteholder or Noteholders of at least $1,000,000 aggregate principal amount of Notes provides the Company with reasonable evidence that the Trading Price per $1,000 principal amount of the Notes would be less than 98% of the product of the Last Reported Sale Price at such time and the then-applicable Exchange Rate, at which time the Company shall select three independent nationally recognized securities dealers (each, an "Independent Securities Dealer"), request that the Independent Securities Dealers provide a secondary market quotation for the Notes and provide such determination to the Company and the Trustee in writing, and the Company shall instruct the Independent Securities Dealers to provide a secondary market quotation for the Notes beginning on the next Trading Day and on each successive Trading Day until the Trading Price per $1,000 principal amount of the Notes is greater than or equal to 98% of the product of the Last Reported Sale Price on such date and the then-applicable Exchange Rate. If the Trading Price condition set forth above has been met, the Company shall so notify the Noteholders. If at any time after the Trading Price condition set forth above has been met, the Trading Price per $1,000 principal amount of Notes is greater than 98% of the product of the Last Reported Sale Price on such date and the then-applicable Exchange Rate, the Company shall so notify the Noteholders.

(2) Any request by the Company to the Trustee for a determination of the Trading Price and whether the Trading Price condition set forth in the first sentence of the immediately preceding paragraph has been met shall be accompanied by an Officers' Certificate setting forth, for each day of determination (as identified in such Certificate), the name of the Independent Securities Dealers providing the secondary market bid quotations, a statement certifying that that such dealers are "Independent Securities Dealers" as required in this Section 8.01, the secondary market bid quotations obtained from such Independent Securities Dealers (a copy of which will be attached to such Officers' Certificate), the Company's calculation of the Trading Price for such date. The Trustee shall be entitled to conclusively rely, without independent verification, on the quotations provided by the Company in making its determinations hereunder. On the basis of such quotations, the Trustee shall determine the Trading Price of the Notes, and provide such determination to the Company. Absent manifest error, the Trustee's determination of the Trading Price will be binding on the Company. Unless and until a Responsible Officer of the Trustee shall have received a request from the Company for determination of the Trading Price for the Notes and the Officers' Certificate contemplated herein, the Trustee shall have no obligation to make any determination of the Trading Price of the Notes or whether the Trading Price condition has been met.

(c) A Holder of Notes shall have the right, at such Holder's option, to exchange Notes during any calendar quarter after the quarter ended June 30, 2011, and only during such calendar quarter, if the Last Reported Sale Price for the Common Stock for at least 20 Trading Days during the period of 30 consecutive Trading Days ending on the last Trading Day of the previous calendar quarter exceeds 130% of the Exchange Price (the "Exchange Trigger Price") on such last Trading Day, which Exchange Price shall be subject to adjustment in accordance with this Article VIII. The Exchange Agent shall, on the Company's behalf, determine at the beginning of each calendar quarter whether the Notes are exchangeable as a result of the price of the Common Stock as contemplated in the previous sentence and notify the Company and the Trustee.

(d) In the event that the Company has delivered a notice of redemption in accordance with Section 1104 of the Base Indenture and Section 3.03 of this First Supplemental Indenture to the Holders of Notes, a Holder of Notes may exchange Notes at any time prior to the close of business on the second Business Day immediately preceding the corresponding Redemption Date; *provided*, *however*, that a Holder who has already delivered a Fundamental Change Repurchase Notice with respect to a Note may not exchange such Note until the Holder has withdrawn the Fundamental Change Repurchase Notice in accordance with the terms of the Note and this First Supplemental Indenture.

(e) (i) In the event that the Company or Parent elects to:

(A) distribute to all or substantially all holders of Common Stock rights entitling them to purchase, for a period expiring within 60 days, shares of Common Stock at a price less than the Last Reported Sale Price of the Common Stock for the Trading Day immediately preceding the declaration date of such distribution; or

(B) distribute to all or substantially all holders of shares of Common Stock assets or debt securities of the Company or Parent or rights to purchase the Company's or Parent's securities, which distribution has a per share value (as determined by the Board of Directors) exceeding 15% of the Last Reported Sale Price of the Common Stock on the day immediately preceding the date of declaration of such distribution,

then, in either case, Holders may surrender the Notes for exchange at any time on and after the date that the Company provides notice to Holders referred to in the next sentence until the earlier of the close of business on the Business Day immediately preceding the Ex-Dividend Date for such distribution or the date the Company announces that such distribution will not take place. The Company shall notify Holders of any distribution referred to in either clause (A) or clause (B) above and of the resulting exchange right no later than the 35th Business Day prior to the Ex-Dividend Date for such distribution.

(ii) If the Company is a party to any transaction or event that constitutes a Fundamental Change, a Holder may surrender Notes for exchange at any time from and after the 30th scheduled Trading Day prior to the anticipated Effective Date of such transaction or event until the related Fundamental Change Repurchase Date and, upon such surrender, the Holder shall be entitled to the increase in the Exchange Rate, if any, specified in Section 8.01(g). The Company shall give notice to all record Noteholders and the Trustee and issue a press release of the Fundamental Change no later than 30 scheduled Trading Days prior to the anticipated Effective Date of the Fundamental Change.

(iii) If Parent is a party to a consolidation, merger, binding share exchange or sale or conveyance of all or substantially all of its properties and assets, in each case pursuant to which the shares of Common Stock would be exchanged into cash, securities and/or other property, then the Holders shall have the right to exchange Notes at any time beginning fifteen calendar days prior to the date announced by the Company as the anticipated effective date of the transaction and until and including the date that is fifteen calendar days after the

date that is the effective date of such transaction; *provided* such transaction does not otherwise constitute a Fundamental Change to which the provisions of Section 8.01(e)(ii) shall apply. The Company shall give notice to all record Noteholders and the Trustee and issue a press release at least 20 calendar days prior to the anticipated effective date of such transaction. If the Board of Directors determines the anticipated effective date of the transaction, such determination shall be conclusive and binding on the Holders.

(f) The Notes shall be exchangeable at any time beginning on the first Business Day after any 30 consecutive Trading Day period during which the Common Stock is not listed on a United States national securities exchange.

(g) (i) If a Noteholder elects to exchange Notes in connection with a Fundamental Change that occurs prior to April 5, 2012, the Exchange Rate applicable to each $1,000 principal amount of Notes so exchanged shall be increased by an additional number of shares of Common Stock (the "Additional Shares") as described below. Settlement of Notes tendered for exchange to which Additional Shares shall be added to the Exchange Rate as provided in this subsection shall be settled pursuant to Section 8.02 below, as applicable. For purposes of this Section 8.01(g), an exchange shall be deemed to be "in connection with" a Fundamental Change to the extent that the related exchange notice is delivered during the time period beginning on the 30th Trading Day prior to the anticipated Effective Date of such Fundamental Change and ending on the related Fundamental Change Repurchase Date, inclusive (regardless of whether the provisions of clauses (b), (c), (d), (e) or (f) of this Section 8.01 shall apply to such exchange). Such exchange notice shall indicate that the Holder of Notes has elected to exchange Notes in connection with a Fundamental Change; *provided*, *however*, that the failure to so indicate shall not in any way affect the Exchange Obligation or the right of such Holder to receive Additional Shares in connection with such exchange.

(ii) The number of Additional Shares by which the Exchange Rate will be increased shall be determined by reference to the table attached as Schedule A hereto, based on the date on which the Fundamental Change occurs or becomes effective (the "Effective Date"), and the Stock Price; *provided*, that if the Stock Price is between two Stock Price amounts in the table or the Effective Date is between two Effective Dates in the table, the number of Additional Shares shall be determined by a straight-line interpolation between the number of Additional Shares set forth for the next higher and next lower Stock Price amounts and the two nearest Effective Dates, as applicable, based on a 365-day year; *provided further* that if (1) the Stock Price is greater than $380.82 per share of Common Stock (subject to adjustment in the same manner as set forth in Section 8.04), no Additional Shares will be added to the Exchange Rate, and (2) the Stock Price is less than $142.97 per share of Common Stock (subject to adjustment in the same manner as set forth in Section 8.04), no Additional Shares will be added to the Exchange Rate. Notwithstanding the foregoing, in no event will the total number of shares of Common Stock issuable upon exchange exceed 7.0410 per $1,000 principal amount of Notes (subject to adjustment in the same manner as set forth in Section 8.04).

(iii) The Stock Prices set forth in the first row of the table in Schedule A hereto shall be adjusted as of any date on which the Exchange Rate of the Notes is adjusted.

The adjusted Stock Prices shall equal the Stock Prices applicable immediately prior to such adjustment, multiplied by a fraction, the numerator of which is the Exchange Rate in effect immediately prior to the adjustment giving rise to the Stock Price adjustment and the denominator of which is the Exchange Rate as so adjusted. The number of Additional Shares within the table shall be adjusted in the same manner as the Exchange Rate as set forth in Section 8.04 (other than by operation of an adjustment to the Exchange Rate by adding Additional Shares).

Section 8.02 *Exchange Procedures*.

(a) (1) The Company shall settle its Exchange Obligations as described in Section 8.02(a)(3), unless, within the applicable time period specified in this Section 8.02(a)(1), the Company elects to settle its Exchange Obligations as described in Section 8.02(a)(2) or Section 8.02(a)(4). The cash and/or shares of Common Stock which the Company is required to deliver in accordance with this Section 8.02 in settlement of its Exchange Obligations is referred to herein as the "Settlement Amount." If the Company desires to settle its Exchange Obligations as described in Section 8.02(a)(2) or Section 8.02(a)(4), the Company shall notify each exchanging Noteholder by notice to the Trustee (for further distribution to Noteholders) of the method the Company will choose to satisfy its Exchange Obligations no later than the second Trading Day immediately following the Company's receipt of a Notice of Exchange from such Holder, and such notice shall specify the section of this First Supplemental Indenture pursuant to which the Company is electing to satisfy its exchange obligations; *provided*, *however*, that the Company shall have the right to irrevocably elect, in its sole discretion and without the consent of Noteholders, by notice to the Trustee (for further distribution to Noteholders), on or prior to February 1, 2012, to settle all of its future Exchange Obligations entirely in shares of Common Stock as described in Section 8.02(a)(2), and *provided further*, that the Company is required to settle all exchanges with an Exchange Date occurring on or after February 1, 2012 in the same manner, and the Company shall notify Noteholders by notice to the Trustee (for further distribution to Noteholders) of the manner of settlement (including specifying the applicable section of this First Supplemental Indenture that describes such manner of settlement) on or before such date. The Company shall treat all Noteholders exchanging on the same Trading Day in the same manner; *however*, the Company shall not have any obligation to settle its Exchange Obligations arising on different Trading Days in the same manner, except for exchanges with an Exchange Date occurring on or after February 1, 2012, which shall all be satisfied in the same manner.

(2) If the Company has elected, within the applicable time periods specified in Section 8.02(a)(1), to settle its Exchange Obligations as described in this Section 8.02(a)(2), the Company shall have the right to settle its Exchange Obligations entirely in shares of Common Stock. If the Company elects to satisfy its Exchange Obligation entirely in shares of Common Stock, the Company shall deliver a number of shares of Common Stock equal to (i) the aggregate principal amount of Notes to be exchanged divided by $1,000, multiplied by (ii) the applicable Exchange Rate (which shall include any increases to reflect any Additional Shares that such Holder is entitled to receive pursuant to Section 8.01(g) above). The Company shall deliver such shares of Common Stock as soon as practicable after it has notified the exchanging Holder, pursuant to

Section 8.02(a)(1) above, that it has elected to satisfy its Exchange Obligation entirely in shares of Common Stock.

(3) If the Company does not elect, within the applicable time periods specified in Section 8.02(a)(1), to settle its Exchange Obligations as described in Section 8.02(a)(2) or 8.02(a)(4), the Company shall settle its Exchange Obligations as described in this Section 8.02(a)(3), subject to Section 8.02(b) hereof. The Company shall deliver in respect of each $1,000 principal amount of Notes being exchanged a Settlement Amount equal to the sum of the Daily Settlement Amounts for each of the 20 consecutive Trading Days during the Observation Period, on the third Trading Day immediately following the last day of the related Observation Period; *provided* that the Company will deliver cash in lieu of fractional shares of Common Stock as set forth pursuant to clause (k) below. The Daily Settlement Amounts shall be determined by the Company promptly following the last day of the Observation Period.

(4) If the Company has elected, within the applicable time periods specified in Section 8.02(a)(1), to settle its Exchange Obligations as described in this Section 8.02(a)(4), the Company shall have the right to settle all or a portion of the amount by which the Daily Exchange Value exceeds $50 in cash in accordance with this Section 8.02(a)(4). In such case, the Company shall specify a percentage of the amount by which the Daily Exchange Value exceeds $50 that will be settled in cash, or the "cash percentage." The Company will inform exchanging Holders by notice to the Trustee (for further distribution to Noteholders) no later than two Trading Days prior to the first day of the applicable Observation Period if it elects to pay cash upon exchange of the Notes and shall specify in such notice (the "cash percentage notice") the applicable cash percentage. If the Company elects to specify a cash percentage, the amount of cash that the Company shall deliver in respect of each Trading Day in the applicable Observation Period shall equal the product of (w) the cash percentage and (x) the amount by which the Daily Exchange Value exceeds $50 for such Trading Day. The number of shares of Common Stock deliverable in respect of each Trading Day in the applicable Observation Period shall equal (i) the product of (y) 100% minus the cash percentage and (z) the amount by which the Daily Exchange Value exceeds $50 for such Trading Day, divided by (ii) the Daily VWAP of the Common Stock for such Trading Day. If the Company does not specify a cash percentage, it must settle the entire amount by which the Daily Exchange Value exceeds $50 with shares of Common Stock pursuant to Section 8.02(a)(3) above; *provided*, *however*, that the Company will deliver cash in lieu of fractional shares of Common Stock as set forth pursuant to clause (k) below. If the Company specifies a cash percentage, the Company shall satisfy its Exchange Obligation by delivering, on the third Trading Day immediately following the last day of the related Observation Period, the amount of cash and the number of shares of Common Stock deliverable pursuant to this Section 8.02(a)(4).

(b) Notwithstanding Section 8.02(a), the Company shall satisfy the Exchange Obligation with respect to each $1,000 principal amount of Notes tendered for exchange to which Additional Shares shall be added to the Exchange Rate as set forth in Section 8.01(g) pursuant to this clause (b).

(1) If the last day of the applicable Observation Period related to Notes surrendered for exchange is prior to the third Trading Day preceding the Effective Date of the Fundamental Change, the Company will satisfy the related Exchange Obligation with respect to each $1,000 principal amount of Notes tendered for exchange as described in Section 8.01(a) by delivering the amount of cash and shares of Common Stock, if any (based on the Exchange Rate, but without regard to the number of Additional Shares to be added to the Exchange Rate pursuant to Section 8.01(g)) on the third Trading Day immediately following the last day of the applicable Observation Period. In addition, as soon as practicable following the Effective Date of the Fundamental Change, the Company will deliver the increase in such amount of cash and Reference Property deliverable in lieu of shares of Common Stock, if any, as if the Exchange Rate had been increased by such number of Additional Shares during the related Observation Period (and based upon the related Daily VWAP prices during such Observation Period). If such increased amount of cash and Common Stock, if any, results in an increase to the amount of cash to be paid to Holders, the Company will pay such increase in cash, and if such increased amount results in an increase to the number of shares of Common Stock, the Company will deliver such increase by delivering Reference Property based on such increased number of shares.

(2) If the last day of the applicable Observation Period related to Notes surrendered for exchange is on or following the third scheduled Trading Day preceding the Effective Date of such Fundamental Change, the Company will satisfy the Exchange Obligation with respect to each $1,000 principal amount of Notes tendered for exchange as described in Section 8.01(a) (based on the Exchange Rate as increased by the Additional Shares pursuant to Section 8.01(g) above) on the later to occur of (x) the Effective Date of the Fundamental Change and (y) the third Trading Day immediately following the last day of the applicable Observation Period.

(c) Before any Holder of a Note shall be entitled to exchange the same as set forth above, such Holder shall (1) in the case of a Global Note, comply with the procedures of the Depositary in effect at that time and, if required, pay funds equal to interest payable on the next Interest Payment Date to which such Holder is not entitled as set forth in Section 4.01(b) and Section 8.02(i) and, if required, pay all taxes or duties, if any, and (2) in the case of a Note issued in certificated form, (A) complete and manually sign and deliver an irrevocable written notice to the Exchange Agent in the form on the reverse of such certificated Note (or a facsimile thereof) (a "Notice of Exchange") at the office of the Exchange Agent and shall state in writing therein the principal amount of Notes to be exchanged and the name or names (with addresses) in which such Holder wishes the certificate or certificates for any shares of Common Stock, if any, to be delivered upon settlement of the Exchange Obligation to be registered, (B) surrender such Notes, duly endorsed to the Company or in blank (and accompanied by appropriate endorsement and transfer documents), at the office of the Exchange Agent, (C) if required, pay funds equal to interest payable on the next Interest Payment Date to which such Holder is not entitled as set forth in Section 4.01(b) and Section 8.02(i), and (D) if required, pay all taxes or duties, if any. A Note shall be deemed to have been exchanged immediately prior to the close of business on the date (the "Exchange Date") that the Holder has complied with the requirements set forth in this Section 8.02(c).

No Notice of Exchange with respect to any Notes may be tendered by a Holder thereof if such Holder has also tendered a Put Right Repurchase Notice or a Fundamental Change Repurchase Notice and not validly withdrawn such Put Right Repurchase Notice or Fundamental Change Repurchase Notice in accordance with the applicable provisions of Section 9.01 or 9.02, as the case may be.

If more than one Note shall be surrendered for exchange at one time by the same Holder, the Exchange Obligation with respect to such Notes, if any, that shall be payable upon exchange shall be computed on the basis of the aggregate principal amount of the Notes (or specified portions thereof to the extent permitted thereby) so surrendered.

(d) Delivery of the amounts owing in satisfaction of the Exchange Obligation shall be made by the Company in no event later than the date specified in Section 8.02(a), except to the extent specified in Section 8.02(b). The Company shall make such delivery by paying the cash amount owed to the Exchange Agent or to the Holder of the Note surrendered for exchange, or such Holder's nominee or nominees, and by issuing, or causing to be issued, and delivering to the Exchange Agent or to such Holder, or such Holder's nominee or nominees, certificates or a book-entry transfer through the Depositary for the number of full shares of Common Stock to which such Holder shall be entitled as part of such Exchange Obligation (together with any cash in lieu of fractional shares).

(e) In case any Note shall be surrendered for partial exchange, the Company shall execute and the Trustee shall authenticate and deliver to or upon the written order of the Holder of the Note so surrendered, without charge to such Holder, a new Note or Notes in authorized denominations in an aggregate principal amount equal to the unexchanged portion of the surrendered Notes.

(f) If a Holder submits a Note for exchange, the Company shall pay all stamp and other duties, if any, which may be imposed by the United States or any political subdivision thereof or taxing authority thereof or therein with respect to the issuance of shares of Common Stock, if any, upon the exchange. However, the Holder shall pay any such tax that is due because the Holder requests any shares of Common Stock to be issued in a name other than the Holder's name. The Exchange Agent may refuse to deliver the certificates representing the shares of Common Stock being issued in a name other than the Holder's name until the Trustee receives a sum sufficient to pay any tax which will be due because the shares are to be issued in a name other than the Holder's name. Nothing herein shall preclude any tax withholding required by law or regulations.

(g) Except as provided in Section 8.04, no adjustment shall be made for dividends on any shares issued upon the exchange of any Note as provided in this Article.

(h) Upon the exchange of an interest in a Global Note, the Trustee, or the Custodian at the direction of the Trustee, shall make a notation on such Global Note as to the reduction in the principal amount represented thereby. The Company shall notify the Trustee in writing of any exchange of Notes effected through any Exchange Agent other than the Trustee.

(i) Upon exchange, a Noteholder will not receive any separate cash payment for accrued and unpaid interest, except as set forth below. The Company's settlement of its Exchange Obligation as described above shall be deemed to satisfy its obligation to pay the principal amount of the Note and accrued and unpaid interest to, but not including, the Exchange Date. As a result, accrued and unpaid interest to, but not including, the Exchange Date shall be deemed to be paid in full rather than cancelled, extinguished or forfeited. Notwithstanding the preceding sentence, if Notes are exchanged after the close of business on a Record Date, Holders of such Notes as of the close of business on the Record Date will receive the interest payable on such Notes on the corresponding Interest Payment Date notwithstanding the exchange. Notes surrendered for exchange during the period from the close of business on any regular Record Date to the opening of business on the corresponding Interest Payment Date must be accompanied by payment of an amount equal to the interest payable on the Notes so exchanged; *provided*, *however*, that no such payment need be made (1) if the Company has called the Notes for redemption or (2) to the extent of any overdue interest existing at the time of exchange with respect to such Note, (3) to Notes surrendered for exchange in connection with a Fundamental Change in which the Company has specified a Fundamental Change Repurchase Date that is after a Record Date and on or prior to the next Interest Payment Date, or (4) to Notes surrendered for exchange after the Record Date immediately preceding the Maturity Date. Except as described above, no payment or adjustment will be made for accrued interest on exchanged Notes.

(j) The Person in whose name the certificate for any shares of Common Stock issued upon exchange is registered shall be treated as a stockholder of record on and after the Exchange Date; *provided*, *however*, that no surrender of Notes on any date when the stock transfer books of the Company shall be closed shall be effective to constitute the Person or Persons entitled to receive the shares of Common Stock upon such exchange as the record holder or holders of such shares of Common Stock on such date, but such surrender shall be effective to constitute the Person or Persons entitled to receive such shares of Common Stock as the record holder or holders thereof for all purposes at the close of business on the next succeeding day on which such stock transfer books are open; such exchange shall be at the Exchange Rate in effect on the date that such Notes shall have been surrendered for exchange, as if the stock transfer books of the Company had not been closed. Upon exchange of Notes, such Person shall no longer be a Noteholder.

(k) No fractional shares of Common Stock shall be issued upon exchange of any Note or Notes. If more than one Note shall be surrendered for exchange at one time by the same Holder, the number of full shares that shall be issued upon exchange thereof shall be computed on the basis of the aggregate principal amount of the Notes (or specified portions thereof) so surrendered. Instead of any fractional share of Common Stock that would otherwise be issued upon exchange of any Note or Notes (or specified portions thereof), the Company shall pay a cash adjustment in respect of such fraction (calculated to the nearest one-100th of a share) in an amount equal to the same fraction of the Last Reported Sale Price of the Common Stock on the last day of the applicable Observation Period.

(l) *Reserved*.

Section 8.03 *Reserved*.

Section 8.04 *Adjustment of Exchange Rate*. The Exchange Rate shall be adjusted from time to time by the Company as follows:

(a) In case Parent shall issue Common Stock as a dividend or distribution to holders of the outstanding Common Stock, or shall effect a subdivision into a greater number of shares of Common Stock or combination into a lesser number of shares of Common Stock, the Exchange Rate shall be adjusted based on the following formula:

$$ER' = ER_0 \times \frac{OS'}{OS_0}$$

where

ER_0 = the Exchange Rate in effect immediately prior to such event;

ER' = the Exchange Rate in effect immediately after such event;

OS_0 = the number of shares of Common Stock outstanding immediately prior to such event; and

OS' = the number of shares of Common Stock outstanding immediately after such event.

Such adjustment shall become effective immediately after 9:00 a.m., New York City time, on the Business Day following the record date fixed for such determination. If any dividend or distribution of the type described in this Section 8.04(a) is declared but not so paid or made, or the outstanding shares of Common Stock are not subdivided or combined, as the case may be, the Exchange Rate shall be immediately readjusted, effective as of the date the Board of Directors determines not to pay such dividend or distribution, or subdivide or combine the outstanding shares of Common Stock, as the case may be, to the Exchange Rate that would then be in effect if such dividend, distribution, subdivision or combination had not been declared.

(b) In case Parent shall issue to all or substantially all holders of its outstanding Common Stock any rights, warrants or convertible securities entitling them (for a period expiring within sixty (60) calendar days after the issuance thereof) to subscribe for or purchase shares of Common Stock at a price per share less than the Last Reported Sale Price of the Common Stock on the Business Day immediately preceding the date of announcement of such issuance, the Exchange Rate shall be adjusted based on the following formula:

$$ER' = ER_0 \times \frac{OS_0 + X}{OS_0 + Y}$$

where

ER_0 = the Exchange Rate in effect immediately prior to such event;

ER' = the Exchange Rate in effect immediately after such event;

OS_0 = the number of shares of Common Stock outstanding immediately prior to such event;

X = the total number of shares of Common Stock issuable pursuant to such rights, warrants or convertible securities; and

Y = the number of shares of Common Stock equal to the aggregate price payable to exercise such rights, warrants or convertible securities divided by the average of the Last Reported Sale Prices per share of Common Stock over the ten consecutive Trading Day period ending on the Business Day immediately preceding the record date (or, if later, the Ex-Date relating to such distribution) for the issuance of such rights, warrants or convertible securities.

Such adjustment shall be successively made whenever any such rights, warrants or convertible securities are issued and shall become effective immediately after 9:00 a.m., New York City time, on the Business Day following the date fixed for such determination. If such rights, warrants or convertible securities are not so exercised prior to their expiration, the Exchange Rate shall again be adjusted to be the Exchange Rate that would then be in effect if such record date for such distribution had not been fixed.

In determining whether any rights, warrants or convertible securities entitle the holder thereof to subscribe for or purchase shares of Common Stock at a price per share less than the Last Reported Sale Price of the Common Stock on the Business Day immediately preceding the date of announcement of such issuance, and in determining the aggregate offering price of such shares of Common Stock, there shall be taken into account any consideration received by Parent for such rights, warrants or convertible securities and any amount payable on exercise or conversion thereof, the value of such consideration, if other than cash, to be determined by the Board of Directors.

(c) In case Parent shall distribute to all or substantially all holders of its Common Stock shares of Capital Stock, evidences of its indebtedness or other assets or property of Parent (including securities, but excluding dividends and distributions covered by Section 8.04(a), Section 8.04(b) or Section 8.04(d) and distributions described below in this paragraph (c) with respect to Spin-Offs) (any of such shares of Capital Stock, indebtedness, or other asset or property hereinafter in this Section 8.04(c) called the "Distributed Property"), then, in each such case the Exchange Rate shall be adjusted based on the following formula:

$$ER' = ER_0 \times \frac{SP_0}{SP_0 - FMV}$$

where

ER_0 = the Exchange Rate in effect immediately prior to such distribution;

ER' = the Exchange Rate in effect immediately after such distribution;

SP_0 = the average of the Last Reported Sale Prices of the Common Stock over the ten consecutive Trading Day period ending on the Business Day immediately preceding the record date for such distribution (or, if earlier, the Ex-Date relating to such distribution); and

FMV = the fair market value (as determined by the Board of Directors) of the Distributed Property distributed with respect to each outstanding share of Common Stock on the record date for such distribution (or, if earlier, the Ex-Date relating to such distribution).

Such adjustment shall become effective immediately prior to 9:00 a.m., New York City time, on the Business Day following the date fixed for the determination of stockholders entitled to receive such distribution; *provided* that if the then fair market value (as so determined) of the portion of the Distributed Property so distributed applicable to one share of Common Stock is equal to or greater than SP_0 as set forth above, in lieu of the foregoing adjustment, adequate provision shall be made so that each Noteholder shall have the right to receive, for each $1,000 principal amount of Notes upon exchange, the amount of Distributed Property such Holder would have received had such Holder owned a number of shares of Common Stock equal to the Exchange Rate on the record date. If such dividend or distribution is not so paid or made, the Exchange Rate shall again be adjusted to be the Exchange Rate that would then be in effect if such dividend or distribution had not been declared. If the Board of Directors determines the fair market value of any distribution for purposes of this Section 8.04(c) by reference to the actual or when issued trading market for any securities, it must in doing so consider the prices in such market over the same period used in determining SP_0 above.

With respect to an adjustment pursuant to this Section 8.04(c) where there has been a payment of a dividend or other distribution on the Common Stock in shares of Capital Stock, or similar equity interest, of or relating to a Subsidiary or other business unit (a "Spin-Off"), unless the Company or Parent distributes such shares of Capital Stock or equity interests to each Noteholder on the same basis as such Noteholder would have received had it exchanged its Notes solely into shares of Common Stock immediately prior to such dividend or distribution, the Exchange Rate in effect immediately before 5:00 p.m., New York City time, on the Record Date fixed for determination of stockholders entitled to receive the distribution will be increased based on the following formula:

$$ER' = ER_0 \times \frac{FMV_0 + MP_0}{MP_0}$$

where

ER_0 = the Exchange Rate in effect immediately prior to such distribution;

ER' = the Exchange Rate in effect immediately after such distribution;

FMV_0 = the average of the Last Reported Sale Prices of the Capital Stock or similar equity interest distributed to holders of shares of Common Stock applicable to one share of Common Stock over the first ten consecutive Trading Day period after the effective date of the Spin-Off; and

MP_0 = the average of the Last Reported Sale Prices of the Common Stock over the first ten consecutive Trading Day period after the effective date of the Spin-Off.

Such adjustment shall occur on the tenth Trading Day from, and including, the effective date of the Spin-Off;*provided* that in respect of any exchange within the ten Trading Days following

any Spin-Off, references within this paragraph (c) to ten days shall be deemed replaced with such lesser number of Trading Days as have elapsed between such Spin-Off and the Exchange Date in determining the applicable Exchange Rate.

Rights or warrants distributed by Parent to all holders of Common Stock, entitling the holders thereof to subscribe for or purchase shares of Common Stock (either initially or under certain circumstances), which rights or warrants, until the occurrence of a specified event or events ("Trigger Event"): (i) are deemed to be transferred with such shares of Common Stock; (ii) are not exercisable and (iii) are also issued in respect of future issuances of shares of Common Stock, shall be deemed not to have been distributed for purposes of this Section 8.04 (and no adjustment to the Exchange Rate under this Section 8.04 will be required) until the occurrence of the earliest Trigger Event, whereupon such rights and warrants shall be deemed to have been distributed and an appropriate adjustment (if any is required) to the Exchange Rate shall be made under this Section 8.04(c). If any such right or warrant, including any such existing rights or warrants distributed prior to the date of this First Supplemental Indenture, are subject to events, upon the occurrence of which such rights or warrants become exercisable to purchase different securities, evidences of indebtedness or other assets, then the date of the occurrence of any and each such event shall be deemed to be the date of distribution and record date with respect to new rights or warrants with such rights (and a termination or expiration of the existing rights or warrants without exercise by any of the holders thereof). In addition, in the event of any distribution (or deemed distribution) of rights or warrants, or any Trigger Event or other event (of the type described in the preceding sentence) with respect thereto that was counted for purposes of calculating a distribution amount for which an adjustment to the Exchange Rate under this Section 8.04 was made, (1) in the case of any such rights or warrants that shall all have been redeemed or repurchased without exercise by any holders thereof, the Exchange Rate shall be readjusted upon such final redemption or repurchase to give effect to such distribution or Trigger Event, as the case may be, as though it were a cash distribution, equal to the per share redemption or repurchase price received by a holder or holders of Common Stock with respect to such rights or warrants (assuming such holder had retained such rights or warrants), made to all holders of Common Stock as of the date of such redemption or repurchase, and (2) in the case of such rights or warrants that shall have expired or been terminated without exercise by any holders thereof, the Exchange Rate shall be readjusted as if such rights and warrants had not been issued.

For purposes of this Section 8.04(c), Section 8.04(a) and Section 8.04(b), any dividend or distribution to which this Section 8.04(c) is applicable that also includes shares of Common Stock to which Section 8.04(a) applies or rights or warrants to subscribe for or purchase shares of Common Stock to which Section 8.04(a) or Section 8.04(b) applies (or both), shall be deemed instead to be (1) a dividend or distribution of the evidences of indebtedness, assets or shares of Capital Stock other than such shares of Common Stock or rights or warrants to which Section 8.04(c) applies (and any Exchange Rate adjustment required by this Section 8.04(c) with respect to such dividend or distribution shall then be made) immediately followed by (2) a dividend or distribution of such shares of Common Stock or such rights or warrants (and any further Exchange Rate adjustment required by Section 8.04(a) and Section 8.04(b) with respect to such dividend or distribution shall then be made), except (A) the record date of such dividend or distribution shall be substituted as "the record date" and "the date fixed for such determination" within the meaning of Section 8.04(a) and Section 8.04(b) and (B) any shares of Common Stock

included in such dividend or distribution shall not be deemed "outstanding immediately prior to such event" within the meaning of Section 8.04(a).

(d) In case Parent shall pay a dividend or make a distribution consisting exclusively of cash to all or substantially all holders of its Common Stock to the extent that the aggregate of all such cash dividends or distributions paid in any quarter exceeds the Dividend Threshold Amount for such quarter, the Exchange Rate shall be adjusted based on the following formula:

$$ER' = ER_0 \times \frac{SP_0 - T}{SP_0 - C}$$

where

ER_0 = the Exchange Rate in effect immediately prior to the record date for such distribution;

ER' = the Exchange Rate in effect immediately after the record date for such distribution;

SP_0 = the average of the Last Reported Sale Prices of the Common Stock over the period of ten consecutive Trading Days ending the Business Day immediately preceding the record date (as defined in clause (f) of this Section) for such distribution (or, if earlier, the Ex-Date relating to such distribution);

T = the dividend threshold amount ("Dividend Threshold Amount"), which amount shall initially be $1.0305 per quarter and which shall be appropriately adjusted from time to time for any stock dividends on, or subdivisions or combinations of, Common Stock; *provided*, that if an Exchange Rate adjustment is required to be made as a result of a distribution that is not a quarterly dividend either in whole or in part, the Dividend Threshold Amount shall be deemed to be zero; and

C = the amount in cash per share that Parent distributes to holders of Common Stock.

Such adjustment shall become effective immediately after 5:00 p.m., New York City time, on the record date for such dividend or distribution*provided* that if the portion of the cash so distributed applicable to one share of Common Stock is equal to or greater than SP_0 above, in lieu of the foregoing adjustment, adequate provision shall be made so that each Noteholder shall have the right to receive upon exchange of a Note (or any portion thereof) the amount of cash such Holder would have received had such Holder owned a number of shares equal to the Exchange Rate on the record date. If such dividend or distribution is not so paid or made, the Exchange Rate shall again be adjusted to be the Exchange Rate that would then be in effect if such dividend or distribution had not been declared.

For the avoidance of doubt, for purposes of this Section 8.04(d), in the event of any reclassification of the Common Stock, as a result of which the Notes become exchangeable into more than one class of Common Stock, if an adjustment to the Exchange Rate is required pursuant to this Section 8.04(d), references in this Section to one share of Common Stock or Last Reported Sale Price of one share of Common Stock shall be deemed to refer to a unit or to the price of a unit consisting of the number of shares of each class of Common Stock into which the

Notes are then exchangeable equal to the number of shares of such class issued in respect of one share of Common Stock in such reclassification. The above provisions of this paragraph shall similarly apply to successive reclassifications.

(e) In case Parent or any of its Subsidiaries makes a payment in respect of a tender offer or exchange offer for all or any portion of the shares of Common Stock, to the extent that the cash and value of any other consideration included in the payment per share of Common Stock exceeds the Last Reported Sale Price of the Common Stock on the Trading Day next succeeding the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer (as it may be amended), the Exchange Rate shall be increased based on the following formula:

$$ER' = ER_0 \times \frac{AC + (SP' \times OS')}{SP' \times OS_0}$$

where

ER_0 = the Exchange Rate in effect on the date such tender or exchange offer expires;

ER' = the Exchange Rate in effect on the day next succeeding the date such tender or exchange offer expires;

AC = the aggregate value of all cash and any other consideration (as determined by the Board of Directors) paid or payable for shares purchased in such tender or exchange offer;

OS_0 = the number of shares of Common Stock outstanding immediately prior to the date such tender or exchange offer expires;

OS' = the number of shares of Common Stock outstanding immediately after the date such tender or exchange offer expires; and

SP' = the average of the Last Reported Sale Prices of the Common Stock over the ten consecutive Trading Day period commencing on the Trading Day next succeeding the date such tender or exchange offer expires,

such adjustment to become effective immediately prior to the opening of business on the day following the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer. If Parent is obligated to purchase shares pursuant to any such tender or exchange offer, but Parent is permanently prevented by applicable law from effecting all or any such purchases or all or any portion of such purchases are rescinded, the Exchange Rate shall again be adjusted to be the Exchange Rate that would then be in effect if such tender or exchange offer had not been made or had only been made in respect of the purchases that had been effected. No adjustment to the Exchange Rate will be made if the application of the foregoing formulae would result in a decrease in the Exchange Rate.

(f) For purposes of this Section 8.04 the term "record date" shall mean, with respect to any dividend, distribution or other transaction or event in which the holders of Common Stock have the right to receive any cash, securities or other property or in which the

shares of Common Stock (or other applicable securities) are exchanged for or converted into any combination of cash, securities or other property, the date fixed for determination of stockholders entitled to receive such cash, securities or other property (whether such date is fixed by the Board of Directors or by statute, contract or otherwise).

(g) In addition to those required by clauses (a), (b), (c), (d), and (e) of this Section 8.04, and to the extent permitted by applicable law and subject to the applicable rules of the New York Stock Exchange, the Company from time to time may increase the Exchange Rate by any amount for a period of at least 20 days if the Board of Directors determines that such increase would be in the Company's best interest. In addition, the Company may also (but is not required to) increase the Exchange Rate to avoid or diminish any income tax to holders of Common Stock or rights to purchase shares of Common Stock in connection with any dividend or distribution of shares (or rights to acquire shares) or similar event. Whenever the Exchange Rate is increased pursuant to the preceding sentence, the Company shall mail to the Holder of each Note at his last address appearing on the Security Register a notice of the increase at least five days prior to the date the increased Exchange Rate takes effect, and such notice shall state the increased Exchange Rate and the period during which it will be in effect.

(h) All calculations and other determinations under this Article VIII shall be made by the Company and shall be made to the nearest cent or to the nearest one-ten thousandth (1/10,000) of a share of stock, as the case may be. No adjustment shall be made for Parent's issuance of shares of Common Stock or any securities convertible into or exchangeable for shares of Common Stock, or the right to purchase shares of Common Stock or such convertible or exchangeable securities, other than as provided in this Section 8.04. No adjustment shall be made to the Exchange Rate unless such adjustment would require a change of at least 1% in the Exchange Rate then in effect at such time. The Company shall carry forward any adjustments that are less than 1% of the Exchange Rate and make such carried forward adjustments, regardless of whether the aggregate adjustment is less than 1% within one year of the first such adjustment carried forward, upon a Fundamental Change, upon any call of the Notes for redemption or upon maturity.

(i) Whenever the Exchange Rate is adjusted as herein provided, the Company shall promptly file with the Trustee and any Exchange Agent other than the Trustee an Officers' Certificate setting forth the Exchange Rate after such adjustment and setting forth a brief statement of the facts requiring such adjustment. The Trustee and Exchange Agent may conclusively rely on the accuracy of the Exchange Rate adjustment provided by the Company. Unless and until a Responsible Officer of the Trustee shall have received such Officers' Certificate, the Trustee shall not be deemed to have knowledge of any adjustment of the Exchange Rate and may assume without inquiry that the last Exchange Rate of which it has knowledge is still in effect. Promptly after delivery of such certificate, the Company shall prepare a notice of such adjustment of the Exchange Rate setting forth the adjusted Exchange Rate and the date on which each adjustment becomes effective and shall mail such notice of such adjustment of the Exchange Rate to the Holder of each Note at his last address appearing on the Security Register, within thirty (30) days of the effective date of such adjustment. Failure to deliver such notice shall not affect the legality or validity of any such adjustment.

(j) For purposes of this Section 8.04, the number of shares of Common Stock at any time outstanding shall not include shares held in the treasury of Parent but shall include shares issuable in respect of scrip certificates issued in lieu of fractions of shares of Common Stock.

Section 8.05 *Sufficient Shares to be Delivered*. To the extent the Company elects to deliver shares of Common Stock, the Company shall provide, free from preemptive rights, sufficient shares of Common Stock to provide for exchange of the Notes from time to time as such Notes are presented for exchange.

Section 8.06 *Effect of Reclassification, Consolidation, Merger or Sale*. If any of the following events occur, namely (i) any reclassification or change of the outstanding Common Stock (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a split, subdivision or combination), (ii) any consolidation, merger or combination of Parent with another Person, or (iii) any sale or conveyance of all or substantially all of the property and assets of Parent to any other Person, in either case as a result of which holders of Common Stock shall be entitled to receive cash, securities or other property or assets with respect to or in exchange for such shares of Common Stock (any such event a "Merger Event"), then:

(a) the Company and Parent or the successor or purchasing Person, as the case may be, shall execute with the Trustee a supplemental indenture (which, as evidenced in an Opinion of Counsel delivered to the Trustee, shall comply with the Trust Indenture Act as in force at the date of execution of such supplemental indenture if such supplemental indenture is then required to so comply) providing for the exchange and settlement of the Notes as set forth in this First Supplemental Indenture. Such supplemental indenture shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Article and the Trustee may conclusively rely on the determination by the Company of the equivalency of such adjustments. If, in the case of any Merger Event, the Reference Property includes shares of stock or other securities and assets of a corporation other than the successor or purchasing corporation, as the case may be, in such reclassification, change, consolidation, merger, combination, sale or conveyance, then such supplemental indenture shall also be executed by such other corporation and shall contain such additional provisions to protect the interests of the Holders of the Notes as the Board of Directors shall reasonably consider necessary by reason of the foregoing, including to the extent required by the Board of Directors and practicable the provisions providing for the repurchase rights set forth in Article IX herein.

In the event the Company shall execute a supplemental indenture pursuant to this Section 8.06, the Company shall, in addition to the Officers' Certificate and Opinion of Counsel required by Section 102 of the Base Indenture, file with the Trustee an Officers' Certificate briefly stating the kind or amount of cash, securities or property or asset that will constitute the Reference Property after any such Merger Event, any adjustment to be made with respect thereto, and the Trustee shall promptly mail notice thereof to all Noteholders.

(b) Notwithstanding the provisions of Section 8.02(a) and Section 8.02(b), and subject to the provisions of Section 8.01, at the effective time of such Merger Event, the right to exchange each $1,000 principal amount of Notes will be changed to a right to exchange

such Note by reference to the kind and amount of cash, securities or other property or assets that a holder of a number of shares of Common Stock equal to the Exchange Rate immediately prior to such transaction would have owned or been entitled to receive (the "Reference Property") such that from and after the effective time of such transaction, a Noteholder will be entitled thereafter to exchange its Notes, subject to the successor's right to deliver cash, common shares or shares of Common Stock of such successor or a combination of cash and shares of Common Stock as set forth in Section 8.02(b), into cash (up to the aggregate principal amount thereof) and, in lieu of the shares of Common Stock otherwise deliverable, the same type (and in the same proportion) of Reference Property, based on the Daily Settlement Amounts of Reference Property in an amount equal to the applicable Exchange Rate, as described under Section 8.02(b). For purposes of determining the constitution of Reference Property, the type and amount of consideration that a holder of shares of Common Stock would have been entitled to in the case of reclassifications, consolidations, mergers, sales or conveyance of assets or other transactions that cause the Common Stock to be converted into the right to receive more than a single type of consideration (determined based in part upon any form of stockholder election) will be deemed to be the weighted average of the types and amounts of consideration received by the holders of shares of Common Stock that affirmatively make such an election. Parent shall not become a party to any such transaction unless its terms are consistent with the preceding. None of the foregoing provisions shall affect the right of a Holder of Notes to exchange its Notes in accordance with the provisions of Article VIII hereof prior to the effective date.

(c) The Company shall cause notice of the execution of such supplemental indenture to be mailed to each Noteholder, at his address appearing on the Security Register, within thirty (30) days after execution thereof. Failure to deliver such notice shall not affect the legality or validity of such supplemental indenture.

(d) The above provisions of this Section shall similarly apply to successive Merger Events.

Section 8.07 *Certain Covenants*. The Company covenants that all shares of Common Stock delivered upon exchange of Notes will be fully paid and non-assessable by Parent and free from all taxes, liens and charges with respect to the issue thereof.

Section 8.08 *Responsibility of Trustee*. The Trustee and any other Exchange Agent shall not at any time be under any duty or responsibility to any Noteholder to determine the Exchange Rate or whether any facts exist which may require any adjustment of the Exchange Rate, or with respect to the nature or extent or calculation of any such adjustment when made, or with respect to the method employed, or herein or in any supplemental indenture provided to be employed, in making the same. The Trustee and any other Exchange Agent shall not be accountable with respect to the validity or value (or the kind or amount) of any shares of Common Stock, or of any securities or property, which may at any time be issued or delivered upon the exchange of any Note; and the Trustee and any other Exchange Agent make no representations with respect thereto. Neither the Trustee nor any Exchange Agent shall be responsible for any failure of the Company to transfer or deliver any shares of Common Stock or share certificates or other securities or property or cash upon the surrender of any Note for the purpose of exchange or to comply with any of the duties, responsibilities or covenants of the Company contained in this Article.

Without limiting the generality of the foregoing, neither the Trustee nor any Exchange Agent shall be under any responsibility to determine the correctness of any provisions contained in any supplemental indenture entered into pursuant to Section 8.06 relating either to the kind or amount of shares of stock or securities or property (including cash) receivable by Noteholders upon the exchange of their Notes after any event referred to in such Section 8.06 or to any adjustment to be made with respect thereto, but, subject to the provisions of Article Six of the Base Indenture, may accept as conclusive evidence of the correctness of any such provisions, and shall be protected in relying upon, the Officers' Certificate with respect thereto.

Section 8.09 *Notice to Holders Prior to Certain Actions*.

In case:

(a) Parent shall declare a dividend (or any other distribution) on its Common Stock that would require an adjustment in the Exchange Rate pursuant to Section 8.04; or

(b) Parent shall authorize the granting to all of the holders of its Common Stock of rights or warrants to subscribe for or purchase any share of any class or any other rights or warrants;

(c) of any reclassification of the Common Stock of Parent (other than a subdivision or combination of its outstanding Common Stock, or a change in par value, or from par value to no par value, or from no par value to par value), or of any consolidation or merger to which Parent is a party and for which approval of any stockholders of Parent is required, or of the sale or transfer of all or substantially all of the assets of Parent; or

(d) of the voluntary or involuntary dissolution, liquidation or winding-up of Parent,

the Company shall cause to be filed with the Trustee and to be mailed to each Noteholder at his address appearing on the Security Register as promptly as possible but in any event at least thirty (30) days prior to the applicable date specified in clause (x) or (y) below, as the case may be, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution or rights or warrants, or, if a record is not to be taken, the date as of which the holders of Common Stock of record to be entitled to such dividend, distribution or rights are to be determined, or (y) the date on which such reclassification, consolidation, merger, sale, transfer, dissolution, liquidation or winding-up is expected to become effective or occur, and the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reclassification, consolidation, merger, sale, transfer, dissolution, liquidation or winding-up. Failure to give such notice, or any defect therein, shall not affect the legality or validity of such dividend, distribution, reclassification, consolidation, merger, sale, transfer, dissolution, liquidation or winding-up.

Section 8.10 *Stockholder Rights Plans*. Upon exchange of the Notes, the Holders shall receive, in addition to any shares of Common Stock issuable upon such exchange, the associated rights issued under any future stockholder rights plan Parent adopts unless, prior to exchange, the rights have separated from the shares of Common Stock,

expired, terminated or been redeemed or converted in accordance with such rights plan. If, and only if, the Holders receive rights under such stockholder rights plans as described in the preceding sentence upon exchange of their Notes, then no other adjustment pursuant to this Article VIII shall be made in connection with such stockholder rights plans.

Section 8.11 *Ownership Limit.* Notwithstanding any other provision of this First Supplemental Indenture or the Notes, no Holder of Notes (or beneficial owner of Notes) shall be entitled to exchange such Notes for shares of Common Stock to the extent that receipt of such shares would cause such Holder (or beneficial owner of Notes) (together with such Holder's (or beneficial owner's) affiliates) to exceed the applicable ownership limit contained in the articles of incorporation of Parent.

ARTICLE IX

REPURCHASE OF NOTES AT OPTION OF HOLDERS

Section 9.01 *Repurchase of Securities at Option of the Holder on Specified Dates*

(a) The provisions of Article Thirteen of the Base Indenture shall not be applicable to the Notes.

(b) Each Noteholder shall have the right, at such Holder's option, to require the Company to repurchase all of such Holder's Notes or any portion thereof that is a multiple of $1,000 principal amount, for cash on April 1, 2012, April 1, 2017, April 1, 2022, April 1, 2027 and April 1, 2032 (each, a "Put Right Repurchase Date") at a repurchase price per Note equal to 100% of the aggregate principal amount of the Notes being repurchased, together with any accrued and unpaid interest up to, but not including, such Put Right Repurchase Date (the "Put Right Repurchase Price").

Repurchases of Notes by the Company pursuant to this Section 9.01 shall be made, at the option of the Holder thereof, upon:

(i) delivery to the Trustee (or other Paying Agent appointed by the Company) by the Holder of a written notice of purchase (a "Put Right Repurchase Notice") in the form set forth on the reverse of the Note at any time from the opening of business on the date that is 25 Business Days prior to the applicable Put Right Repurchase Date until the close of business on the fifth Business Day prior to such Put Right Repurchase Date stating:

(A) if certificated, the certificate numbers of the Notes to be delivered for repurchase;

(B) the portion of the principal amount of the Notes to be repurchased, which must be $1,000 or an integral multiple thereof, and

(C) that the Notes are to be repurchased as of the applicable Put Right Repurchase Date pursuant to the terms and conditions specified in the Notes and in this First Supplemental Indenture, and

(ii) delivery of such Note to the Paying Agent prior to, on or after the Put Right Repurchase Date (together with all necessary endorsements) at the offices of the Paying Agent, such delivery being a condition to receipt by the Holder of the Put Right Repurchase Price therefor, which shall be so paid pursuant to this Section 9.01 only if the Note so delivered to the Paying Agent shall conform in all respects to the description thereof in the related Put Right Repurchase Notice, as determined by the Company.

The Company shall repurchase from the Holder thereof, pursuant to this Section 9.01, a portion of a Note if the principal amount of such portion is $1,000 or an integral multiple of $1,000. Provisions of this First Supplemental Indenture that apply to the repurchase of all of a Note also apply to the repurchase of such portion of such Note.

Any repurchase by the Company contemplated pursuant to the provisions of this Section 9.01 shall be consummated by the delivery of the consideration to be received by the Holder promptly following the later of the Put Right Repurchase Date and the time of delivery of the Note.

The Trustee (or other Paying Agent appointed by the Company) shall promptly notify the Company of the receipt by it of any Put Right Repurchase Notice or written notice of withdrawal thereof in accordance with the provisions of Section 9.01(e).

Any Note that is to be repurchased only in part shall be surrendered to the Trustee (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by the Holder thereof or his attorney duly authorized in writing), and the Company shall execute, and the Trustee shall authenticate and make available for delivery to the Holder of such Note without service charge, a new Note or Notes, containing identical terms and conditions, each in an authorized denomination in aggregate principal amount equal to and in exchange for the unrepurchased portion of the principal of the Note so surrendered.

(c) In connection with any purchase of Notes pursuant to this Section 9.01, the Company shall give written notice of the Put Right Repurchase Date to the Holders (the "Company Put Right Notice").

The Company Put Right Notice shall be sent by first-class mail to the Trustee and to each Holder (and to each beneficial owner as required by applicable law) that has delivered a Put Right Repurchase Notice within ten Business Days of receipt of such Put Right Repurchase Notice, or, if a shorter period, at least two Business Days prior to any Put Right Repurchase Date (the "Company Put Right Notice Date"). Each Company Put Right Notice shall include a form of Put Right Repurchase Notice to be completed by a Noteholder and shall state:

(i) the Put Right Repurchase Price and the Exchange Price;

(ii) the name and address of the Paying Agent and the Exchange Agent;

(iii) that Notes as to which a Put Right Repurchase Notice has been given may be exchanged in accordance with Article VIII hereof only if the applicable Put Right Repurchase Notice has been withdrawn in accordance with the terms of this First Supplemental Indenture;

(iv) that Notes must be surrendered to the Paying Agent to collect payment;

(v) that the Put Right Repurchase Price for any Note as to which a Put Right Repurchase Notice has been given and not withdrawn will be paid promptly following the later of the Put Right Repurchase Date and the time of surrender of such Note as described in subclause (iv) above;

(vi) the procedures the Holder must follow to exercise rights under this Section and a brief description of those rights;

(vii) briefly, the exchange rights of the Notes;

(viii) the procedures for withdrawing a Put Right Repurchase Notice (including pursuant to the terms of Section 9.01(e));

(ix) that, unless the Company defaults in making payment on Notes for which a Put Right Repurchase Notice has been submitted, interest on the Notes in respect of which a Put Right Repurchase Notice has been delivered and not withdrawn will cease to accrue on the Put Right Repurchase Date; and

(x) the CUSIP number of the Notes.

If any of the Notes are to be redeemed in the form of a Global Note, the Company shall modify such notice to the extent necessary to accord with the procedures of the Depositary applicable to redemptions.

At the Company's request, the Trustee shall give such Company Put Right Notice in the Company's name and at the Company's expense; *provided*, *however*, that, in all cases, the text of such Company Put Right Notice shall be prepared by the Company.

(d) Upon receipt by the Trustee (or other Paying Agent appointed by the Company) of the Put Right Repurchase Notice specified in Section 9.01(a), the Holder of the Note in respect of which such Put Right Repurchase Notice was given shall (unless such Put Right Repurchase Notice is withdrawn as specified in Section 9.01(e)) thereafter be entitled to receive solely the Put Right Repurchase Price with respect to such Note. Such Put Right Repurchase Price shall be paid to such Holder, subject to receipt of funds by the Paying Agent, promptly following the later of (x) the Put Right Repurchase Date with respect to such Note (*provided* the conditions in Section 9.01(a) have been satisfied) and (y) the time of delivery of such Note to the Paying Agent by the Holder thereof in the manner required by Section 9.01(a). Notes in respect of which a Put Right Repurchase Notice has been given by the Holder thereof may not be exchanged pursuant to Article VIII hereof on or after the date of the delivery of such Put Right Repurchase Notice, unless such Put Right Repurchase Notice has first been validly withdrawn as specified in Section 9.01(e).

(e) A Put Right Repurchase Notice may be withdrawn by means of a written notice of withdrawal delivered to the office of the Paying Agent in accordance with the Put Right Repurchase Notice at any time prior to 10:00 A.M. New York City time on the fourth Business Day prior to the Put Right Repurchase Date specifying:

(i) if certificated Notes have been issued, the certificate numbers of the withdrawn Notes,

(ii) the principal amount of the Notes with respect to which such notice of withdrawal is being submitted, and

(iii) the principal amount, if any, of such Notes that remains subject to the original Put Right Repurchase Notice, which portion must be in principal amounts of $1,000 or an integral multiple of $1,000;

provided, *however*, that if the Notes are not in certificated form, the notice must comply with appropriate procedures of the Depositary.

A written notice of withdrawal of a Put Right Repurchase Notice shall be in the form set forth in the preceding paragraph.

Upon receipt of a written notice of withdrawal, the Paying Agent shall promptly return to the Holders thereof any Notes in respect of which a Put Right Repurchase Notice has been withdrawn in accordance with the provisions of Section 9.01(f).

(f) There shall be no repurchase of any Notes pursuant to this Section 9.01 if there has occurred (prior to, on or after, as the case may be, the giving, by the Holders of such Notes, of the required Put Right Repurchase Notice) and is continuing an Event of Default with respect to Notes (other than a default in the payment of the Put Right Repurchase Price with respect to such Notes). The Paying Agent will promptly return to the respective Holders thereof any Notes held by it during the continuance of an Event of Default with respect to Notes (other than a default in the payment of the Put Right Repurchase Price with respect to such Notes), in which case, upon such return, the Put Right Repurchase Notice with respect thereto shall be deemed to have been withdrawn.

(g) Prior to 11:00 a.m. (local time in The City of New York) on the Put Right Repurchase Date, the Company shall deposit with the Trustee (or other Paying Agent appointed by the Company or if the Company is acting as its own Paying Agent, set aside, segregate and hold in trust in accordance with the terms of the Base Indenture as modified by this First Supplemental Indenture) an amount (in immediately available funds if deposited on such Business Day) sufficient to pay the aggregate Put Right Repurchase Price of all the Notes or portions thereof which are to be purchased as of the Put Right Repurchase Date. The manner in which the deposit required by this Section 9.01(g) is made by the Company shall be at the option of the Company; *provided* that such deposit shall be made in a manner such that the Trustee or a Paying Agent shall have immediately available funds on the Put Right Repurchase Date.

If the Trustee (or other Paying Agent appointed by the Company) holds, in accordance with the terms hereof, money sufficient to pay the Put Right Repurchase Price of any Note, then,

on the Put Right Repurchase Date, such Note will cease to be Outstanding and the rights of the Holder in respect thereof shall terminate (other than the right to receive the Put Right Repurchase Price as aforesaid).

To the extent that the aggregate amount of cash deposited by the Company pursuant to this Section 9.01(g) exceeds the aggregate Put Right Repurchase Price of the Notes or portions thereof that the Company is obligated to purchase, then promptly after the Put Right Repurchase Date the Trustee or a Paying Agent, as the case may be, shall return any such excess cash to the Company.

Section 9.02 *Repurchase at Option of Holders Upon a Fundamental Change*.

(a) If a Fundamental Change occurs at any time, then each Noteholder shall have the right, at such Holder's option, to require the Company to repurchase all of such Holder's Notes or any portion thereof that is a multiple of $1,000 principal amount, for cash on the date (the "Fundamental Change Repurchase Date") specified by the Company that is not less than twenty (20) Business Days and not more than thirty-five (35) Business Days after the date of the Fundamental Change Company Notice (as defined below) at a repurchase price equal to 100% of the principal amount thereof, together with accrued and unpaid interest thereon to, but excluding, the Fundamental Change Repurchase Date (the "Fundamental Change Repurchase Price").

Repurchases of Notes under this Section 9.02 shall be made, at the option of the Holder thereof, upon:

(i) delivery to the Trustee (or other Paying Agent appointed by the Company) by a Holder of a duly completed notice (the "Fundamental Change Repurchase Notice") in the form set forth on the reverse of the Note prior to the close of business on the Fundamental Change Repurchase Date; and

(ii) delivery or book-entry transfer of the Notes to the Trustee (or other Paying Agent appointed by the Company) at any time after delivery of the Fundamental Change Repurchase Notice (together with all necessary endorsements) at the Corporate Trust Office of the Trustee (or other Paying Agent appointed by the Company) in the Borough of Manhattan, such delivery being a condition to receipt by the Holder of the Fundamental Change Repurchase Price therefor; *provided* that such Fundamental Change Repurchase Price shall be so paid pursuant to this Section 9.02 only if the Note so delivered to the Trustee (or other Paying Agent appointed by the Company) shall conform in all respects to the description thereof in the related Fundamental Change Repurchase Notice.

The Fundamental Change Repurchase Notice shall state:

(A) if certificated, the certificate numbers of Notes to be delivered for repurchase;

(B) the portion of the principal amount of Notes to be repurchased, which must be $1,000 or an integral multiple thereof; and

(C) that the Notes are to be repurchased by the Company pursuant to the applicable provisions of the Notes and this First Supplemental Indenture.

Any repurchase by the Company contemplated pursuant to the provisions of this Section 9.02 shall be consummated by the delivery of the consideration to be received by the Holder promptly following the later of the Fundamental Change Repurchase Date and the time of the book-entry transfer or delivery of the Note.

The Trustee (or other Paying Agent appointed by the Company) shall promptly notify the Company of the receipt by it of any Fundamental Change Repurchase Notice or written notice of withdrawal thereof in accordance with the provisions of Section 9.02(c).

Any Note that is to be repurchased only in part shall be surrendered to the Trustee (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by the Holder thereof or his attorney duly authorized in writing), and the Company shall execute, and the Trustee shall authenticate and make available for delivery to the Holder of such Note without service charge, a new Note or Notes, containing identical terms and conditions, each in an authorized denomination in aggregate principal amount equal to and in exchange for the unrepurchased portion of the principal of the Note so surrendered.

(b) On or before the twentieth day after the occurrence of any Fundamental Change, the Company shall provide to all Holders of record of the Notes and the Trustee and Paying Agent a notice (the "Fundamental Change Company Notice") of the occurrence of such Fundamental Change and of the repurchase right at the option of the Holders arising as a result thereof. Such mailing shall be by first class mail. Simultaneously with providing such Fundamental Change Company Notice, the Company shall publish a notice containing the information included therein once in a newspaper of general circulation in The City of New York or publish such information on the Company's website or through such other public medium as the Company may use at such time.

Each Fundamental Change Company Notice shall specify:

(i) the events causing the Fundamental Change;

(ii) the date of the Fundamental Change;

(iii) that the Holder must exercise the repurchase right on or prior to the close of business on the Fundamental Change Repurchase Date;

(iv) the Fundamental Change Repurchase Price;

(v) the Fundamental Change Repurchase Date;

(vi) the name and address of the Paying Agent and the Exchange Agent;

(vii) the applicable Exchange Rate and any adjustments to the applicable Exchange Rate;

(viii) that the Notes with respect to which a Fundamental Change Repurchase Notice has been delivered by a Holder may be exchanged only if the Holder withdraws the Fundamental Change Repurchase Notice in accordance with the terms of this First Supplemental Indenture; and

(ix) the procedures that Holders must follow to require the Company to repurchase their Notes.

No failure of the Company to give the foregoing notices and no defect therein shall limit the Noteholders' repurchase rights or affect the validity of the proceedings for the repurchase of the Notes pursuant to this Section 9.02.

(c) A Fundamental Change Repurchase Notice may be withdrawn by means of a written notice of withdrawal delivered to the Trustee and Paying Agent in accordance with the Fundamental Change Company Notice at any time prior to the close of business on the Business Day prior to the Fundamental Change Repurchase Date, specifying:

(i) the principal amount of the Notes with respect to which such notice of withdrawal is being submitted;

(ii) if certificated Notes have been issued, the certificate numbers of the withdrawn Notes; and

(iii) the principal amount, if any, of such Notes that remains subject to the original Fundamental Change Repurchase Notice, which portion must be in principal amounts of $1,000 or an integral multiple of $1,000;

provided, *however*, that if the Notes are not in certificated form, the notice must comply with appropriate procedures of the Depositary.

(d) On or prior to 11:00 a.m. (local time in The City of New York) on the second Business Day following the Fundamental Change Repurchase Date, the Company will deposit with the Trustee (or other Paying Agent appointed by the Company or if the Company is acting as its own Paying Agent, set aside, segregate and hold in trust in accordance with the Base Indenture as modified by this First Supplemental Indenture) an amount of money sufficient to repurchase on the Fundamental Change Repurchase Date all of the Notes to be repurchased on such date at the Fundamental Change Repurchase Price. Subject to receipt of funds and/or Notes by the Trustee (or other Paying Agent appointed by the Company), payment for Notes surrendered for repurchase (and not withdrawn) prior to the close of business on the Fundamental Change Repurchase Date will be made promptly after the later of (x) the Fundamental Change Repurchase Date with respect to such Note (*provided* the Holder has satisfied the conditions to the payment of the Fundamental Change Repurchase Price in Section 9.02), and (y) the time of book-entry transfer or the delivery of such Note to the Trustee (or other Paying Agent appointed by the Company) by the Holder thereof in the manner required by Section 9.02 by mailing checks for the amount payable to the Holders of such Notes entitled thereto as they shall appear in the Security Register, *provided*, *however*, that payments to the Depositary shall be made by wire transfer of immediately available funds to the account of the Depositary or its nominee. The Trustee shall, promptly after such payment and upon written

demand by the Company, return to the Company any funds in excess of the Fundamental Change Repurchase Price.

(e) If the Trustee (or other Paying Agent appointed by the Company) holds money or securities sufficient to repurchase on the Fundamental Change Repurchase Date all the Notes or portions thereof that are to be purchased as of the second Business Day following the Fundamental Change Repurchase Date, then on and after the Fundamental Change Repurchase Date (i) such Notes will cease to be Outstanding, (ii) interest will cease to accrue on such Notes, and (iii) all other rights of the Holders of such Notes will terminate, whether or not book-entry transfer of the Notes has been made or the Notes have been delivered to the Trustee or Paying Agent, other than the right to receive the Fundamental Change Repurchase Price upon delivery of the Notes.

ARTICLE X

GUARANTEE

Section 10.01 *Guarantees*. Article Sixteen of the Base Indenture shall be applicable to the Notes.

ARTICLE XI

MISCELLANEOUS PROVISIONS

Section 11.01 *Ratification of Base Indenture.* Except as expressly modified or amended hereby, the Base Indenture continues in full force and effect and is in all respects confirmed, ratified and preserved and the provisions thereof shall be applicable to the Notes and this First Supplemental Indenture.

Section 11.02 *Provisions Binding on Company's Successors.* All the covenants, stipulations, promises and agreements of the Company contained in this First Supplemental Indenture shall bind its successors and assigns whether so expressed or not.

Section 11.03 *Official Acts by Successor Corporation.* Any act or proceeding by any provision of this First Supplemental Indenture authorized or required to be done or performed by any board, committee or officer of the Company shall and may be done and performed with like force and effect by the like board, committee or officer of any corporation or entity that shall at the time be the lawful sole successor of the Company.

Section 11.04 *Addresses for Notices, Etc.* Any notice or demand which by any provision of this First Supplemental Indenture is required or permitted to be given or served by the Trustee or by the Noteholders on the Company shall be deemed to have been sufficiently given or made, for all purposes if given or served by being deposited postage prepaid by registered or certified mail in a post office letter box addressed (until another

address is filed by the Company with the Trustee) to Prologis, L.P., Pier 1, Bay 1, San Francisco, California 94111, Attention: Chief Financial Officer. Any notice, direction, request or demand hereunder to or upon the Trustee shall be deemed to have been sufficiently given or made, for all purposes, if given or served by being deposited postage prepaid by registered or certified mail in a post office letter box addressed to U.S. Bank National Association, 100 Wall Street, Suite 1600, New York, New York 10005, Attention: Corporate Trust Services/Prologis, L.P.

The Trustee, by notice to the Company, may designate additional or different addresses for subsequent notices or communications.

Any notice or communication mailed to a Noteholder shall be mailed to him by first class mail, postage prepaid, at his address as it appears on the Security Register and shall be sufficiently given to him if so mailed within the time prescribed.

Failure to mail a notice or communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

Section 11.05 *Governing Law*. THIS FIRST SUPPLEMENTAL INDENTURE, EACH NOTE AND THE GUARANTEE SHALL BE DEEMED TO BE A CONTRACT MADE UNDER THE LAWS OF THE STATE OF NEW YORK, AND FOR ALL PURPOSES SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS ENTERED INTO AND TO BE PERFORMED THEREIN.

Section 11.06 *Non-Business Day*. Section 113 of the Base Indenture shall also apply to any Fundamental Change Purchase Date, Put Right Repurchase Date or Exchange Date in respect of the Notes.

Section 11.07 *Benefits of Indenture*. Nothing in this First Supplemental Indenture or in the Notes, expressed or implied, shall give to any person, other than the parties hereto, any Paying Agent, any authenticating agent, any Security Registrar and their successors hereunder, the Noteholders, any benefit or any legal or equitable right, remedy or claim under this First Supplemental Indenture.

Section 11.08 *Table of Contents, Headings, Etc*. The table of contents and the titles and headings of the articles and sections of this First Supplemental Indenture have been inserted for convenience of reference only, are not to be considered a part hereof, and shall in no way modify or restrict any of the terms or provisions hereof.

Section 11.09 *Execution in Counterparts.* This First Supplemental Indenture may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument.

Section 11.10 *Trustee*. The Trustee makes no representations as to the validity or sufficiency of this First Supplemental Indenture. The statements and recitals herein are deemed to be those of the Company and Parent and not of the Trustee.

Section 11.11 *Further Instruments and Acts*. Upon request of the Trustee, the Company and Parent will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purposes of this First Supplemental Indenture.

Section 11.12 *Waiver of Jury Trial*. EACH OF THE COMPANY, PARENT AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES OR THE TRANSACTION CONTEMPLATED HEREBY.

Section 11.13 *Force Majeure*. In no event shall the Trustee or Exchange Agent be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

IN WITNESS WHEREOF, the parties hereto have caused this First Supplemental Indenture to be duly executed as of the date first written above.

PROLOGIS, L.P.
By: Prologis, Inc., its general partner

By: /s/ Phillip D. Joseph, Jr.
Name: Phillip D. Joseph, Jr.
Title: Senior Vice President and Treasurer

Attest:

By: /s/ Michael T. Blair
Name: Michael T. Blair
Title: Managing Director and Deputy General Counsel

PROLOGIS, INC.

By: /s/ Phillip D. Joseph, Jr.
Name: Phillip D. Joseph, Jr.
Title: Senior Vice President and Treasurer

Attest:

By: /s/ Michael T. Blair
Name: Michael T. Blair
Title: Managing Director and Deputy General Counsel

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: /s/ Beverly A. Freeney
Name: Beverly A. Freeney
Title: Vice President

[First Supplemental Indenture]

SCHEDULE A

Share Price

Effective Date	$142.97	$156.81	$179.21	$201.61	$224.01	$246.42	$268.82	$291.22	$313.62	$336.02	$358.42	$380.82
April 1, 2011	1.1658	0.6611	0.2519	0.0780	0.0171	0.0027	0.0012	0.0011	0.0001	0.0000	0.0000	0.0000
April 1, 2012	1.1658	0.5482	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

EXHIBIT A

FORMS OF GLOBAL NOTE

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

PROLOGIS, L.P.

2.250% Exchangeable Senior Notes due 2037

No.1 $500,000,000

CUSIP No. 74340XAQ4

PROLOGIS, L.P., a limited partnership organized and existing under the laws of the State of Delaware (herein called the "Company," which term includes any successor corporation under the Indenture referred to on the reverse hereof), for value received hereby promises to pay to CEDE & CO., or registered assigns, the principal sum of FIVE HUNDRED MILLION DOLLARS ($500,000,000) or such other principal amount as shall be set forth on the Schedule I hereto on April 1, 2037.

This Security shall bear interest at the rate of 2.250% per year from April 1, 2011, or from the most recent date to which interest had been paid or provided. Interest is payable semi-annually in arrears on each April 1 and October 1, commencing October 1, 2011, to Holders of record at the close of business on the preceding March 15 and September 15, respectively. Interest payable on each Interest Payment Date shall equal the amount of interest accrued from, and including the immediately preceding Interest Payment Date (or from and including April 1, 2011, if no interest has been paid hereon) to but excluding such Interest Payment Date.

Payment of the principal and interest on this Security will be made at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, City of New York, or elsewhere as provided in the Indenture, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; *provided*, *however*, that at the option of the Company, payment of interest may be made by (i) check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register or (ii) transfer to an account of the Person entitled thereto located inside the United States; *provided further*, however, that, with respect to any Holder of Securities with an aggregate principal amount in excess of $1,000,000, at the application of such Holder in writing to the Company, interest on such Holder's Securities shall be paid by wire transfer in immediately available funds to such Holder's account in the United States supplied by such Holder from time to time to the Trustee and Paying Agent (if different from the Trustee) not later than the applicable record date.

Reference is made to the further provisions of this Security set forth on the reverse hereof, including, without limitation, provisions giving the Holder of this Security the right to exchange this Security into cash, shares of Common Stock of the Company or a combination of cash and shares of Common Stock on the terms and subject to the limitations referred to on the reverse hereof and as more fully specified in the Indenture. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This Security shall be deemed to be a contract made under the laws of the State of New York, and for all purposes shall be construed in accordance with the laws of the State of New York applicable to contracts entered into and to be performed therein.

This Security shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been manually signed by the Trustee or a duly authorized authenticating agent under the Indenture.

[Remainder of page intentionally left blank]

Unless the certificate of authentication hereon has been executed by or on behalf of the Trustee by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed by the undersigned officer.

PROLOGIS, L.P.
By: Prologis, Inc., its sole general partner

By: ______________________________
Name: Phillip D. Joseph, Jr.
Title: Senior Vice President and Treasurer

Attest

By: ______________________________
Name: Michael T. Blair
Title: Managing Director and Deputy General Counsel

Dated: June 8, 2011

TRUSTEE'S CERTIFICATE OF AUTHENTICATION:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
as trustee

By: ______________________________
Authorized Officer

PROLOGIS, L.P.
2.250% Exchangeable Senior Notes due 2037

This Security is one of a duly authorized issue of Securities of the Company, designated as its 2.250% Exchangeable Senior Notes due 2037 (herein called the "Securities"), issued under and pursuant to an Indenture dated as of June 8, 2011 (herein called the "Base Indenture"), as supplemented with respect to the Securities by the First Supplemental Indenture (the "First Supplemental Indenture"), dated as of June 8, 2011 (as so supplemented, herein called the "Indenture"), among the Company, Prologis, Inc. (herein called the "Parent Guarantor") and U.S. Bank National Association (herein called the "Trustee"), to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the rights, limitations of rights, obligations, duties and immunities thereunder of the Trustee, the Company, the Parent Guarantor and the Holders of the Securities. Additional Securities may be issued in an unlimited aggregate principal amount, subject to certain conditions specified in the Indenture. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Indenture.

In case an Event of Default, as defined in the Indenture, shall have occurred and be continuing, the principal of and interest on all Securities may be declared, and upon said declaration shall become, due and payable, in the manner, with the effect and subject to the conditions provided in the Indenture.

Prior to April 5, 2012, the Company may not redeem the Securities except to preserve the Company's status as a real estate investment trust as described in Section 3.01 of the First Supplemental Indenture. Subject to the terms and conditions of the Indenture, on or after April 5, 2012, the Company shall have the right to redeem the Securities, in whole or from time to time in part, at a price equal to 100% of the principal amount of the Securities being redeemed, plus accrued and unpaid interest. Any such redemption shall be upon at least 30 days' and no more than 60 days' notice to Holders of the Securities.

Subject to the terms and conditions of the Indenture, the Company will make all payments and deliveries in respect of the Fundamental Change Repurchase Price, the Put Right Repurchase Price, the Redemption Price and the principal amount on the Maturity Date, as the case may be, to the Holder who surrenders a Security to a Paying Agent to collect such payments in respect of the Security. The Company will pay cash amounts in money of the United States that at the time of payment is legal tender for payment of public and private debts.

The Indenture contains provisions permitting the Company, the Parent Guarantor and the Trustee in certain circumstances, without the consent of the Holders of the Securities, and in other circumstances, with the consent of the Holders of not less than a majority in principal amount of the Securities at the time Outstanding, evidenced as in the Indenture provided, to execute supplemental indentures adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or of any supplemental indenture or modifying in any manner the rights of the Holders of the Securities; *provided*, *however*, that no such supplemental indenture shall make any of the changes set forth in Section 6.02 of the First

Supplemental Indenture, without the consent of each Holder of an Outstanding Security affected thereby. It is also provided in the Indenture that, prior to any declaration accelerating the maturity of the Securities, the Holders of a majority in principal amount of the Securities at the time Outstanding may on behalf of the Holders of all of the Securities waive any past default or Event of Default under the Indenture and its consequences except as provided in the Indenture. Any such consent or waiver by the Holder of this Security (unless revoked as provided in the Indenture) shall be conclusive and binding upon such Holder and upon all future Holders and owners of this Security and any Securities which may be issued in exchange or substitution hereof, irrespective of whether or not any notation thereof is made upon this Security or such other Securities.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and accrued and unpaid interest on this Security at the place, at the respective times, at the rate and in the lawful money herein prescribed.

The Securities are issuable in registered form without coupons in denominations of $1,000 principal amount and integral multiples thereof. At the office or agency of the Company referred to on the face hereof, and in the manner and subject to the limitations provided in the Indenture, without payment of any service charge but with payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration or exchange of Securities, Securities may be exchanged for a like aggregate principal amount of Securities of other authorized denominations.

The Securities are not subject to redemption through the operation of any sinking fund.

Upon the occurrence of a Fundamental Change, the Holder has the right, at such Holder's option, to require the Company to repurchase all of such Holder's Securities or any portion thereof (in principal amounts of $1,000 or integral multiples thereof) on the Fundamental Change Repurchase Date at a price equal to 100% of the principal amount of the Securities such holder elects to require the Company to repurchase, together with accrued and unpaid interest to but excluding the Fundamental Change Repurchase Date. The Company or, at the written request of the Company, the Trustee shall mail to all Holders of record of the Securities a notice of the occurrence of a Fundamental Change and of the repurchase right arising as a result thereof on or before the twentieth day after the occurrence of any Fundamental Change.

On April 1, 2012, April 1, 2017, April 1, 2022, April 1, 2027 and April 1, 2032, the Holder has the right, at such Holder's option, to require the Company to repurchase all of such Holder's Securities or any portion thereof (in principal amounts of $1,000 or integral multiples thereof) at a price equal to 100% of the principal amount of the Securities such Holder elects to require the Company to repurchase, together with accrued and unpaid interest to but excluding the Put Right Repurchase Date. Holders shall submit their Securities for repurchase to the Paying Agent at any time from the opening of business on the date that is 25 Business Days prior to the applicable Put Right Repurchase Date until the close of business on the fifth Business Day prior to the Put Right Repurchase Date.

Subject to the provisions of the Indenture, the Holder hereof has the right, at its option, on and after February 1, 2012, or earlier upon the occurrence of certain conditions specified in the Indenture and prior to the close of business on the Trading Day immediately preceding the Maturity Date, to exchange any Securities or portion thereof which is $1,000 or an integral multiple thereof, into cash, shares of Common Stock or a combination of cash and shares of Common Stock, at the option of the Company as provided in the First Supplemental Indenture, in each case at the Exchange Rate specified in the Indenture, as adjusted from time to time as provided in the Indenture, upon surrender of this Security, together with a Notice of Exchange, a form of which is attached to this Security, as provided in the Indenture and this Security, to the Company at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, City of New York or elsewhere as provided in the Indenture, and, unless the shares issuable on exchange are to be issued in the same name as this Security, duly endorsed by, or accompanied by instruments of transfer in form satisfactory to the Company duly executed by, the Holder or by his duly authorized attorney. The initial Exchange Rate is 5.8752 shares for each $1,000 principal amount of Securities. No fractional shares of Common Stock will be issued upon any exchange, but an adjustment in cash will be paid to the Holder, as provided in the Indenture, in respect of any fraction of a share which would otherwise be issuable upon the surrender of any Security or Securities for exchange. No adjustment shall be made for dividends or any shares issued upon exchange of such Security except as provided in the Indenture.

Upon due presentment for registration of transfer of this Security at the office or agency of the Company in the Borough of Manhattan, City of New York, a new Security or Securities of authorized denominations for an equal aggregate principal amount will be issued to the transferee in exchange thereof, subject to the limitations provided in the Indenture, without charge except for any tax, assessments or other governmental charge imposed in connection therewith.

The Company, the Trustee, any authenticating agent, any Paying Agent, any Exchange Agent and any Security Registrar may deem and treat the registered Holder hereof as the absolute owner of this Security (whether or not this Security shall be overdue and notwithstanding any notation of ownership or other writing hereon), for the purpose of receiving payment hereof, or on account hereof, for the exchange hereof and for all other purposes, and neither the Company nor the Trustee nor any other authenticating agent nor any Paying Agent nor any other Exchange Agent nor any Security Registrar shall be affected by any notice to the contrary. All payments made to or upon the order of such registered Holder shall, to the extent of the sum or sums paid, satisfy and discharge liability for monies payable on this Security.

Except as provided in Article Sixteen of the Base Indenture, no recourse under or upon any obligation, covenant or agreement contained in the Indenture or in this Security, or because of any indebtedness evidenced thereby, shall be had against any promoter, as such, or against any past, present or future stockholder, partner, director, officer, employee, agent thereof or trustee, as such, of the Company or any Guarantor or of any successor thereof, either directly or through the Company or any Guarantor or any successor thereof, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability being expressly waived and released by the acceptance of this Security by the Holder thereof and as part of the consideration for the issue of the Securities of this series.

Terms used in this Security and defined in the Indenture are used herein as therein defined.

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (=tenants in common), TENANT (=tenants by the entireties), JT TEN (joint tenants with right of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform gift to Minors Act).

Schedule I

PROLOGIS, L.P.

2.25% Exchangeable Senior Notes due 2037

No. 1

Date	Principal Amount	Notation Explaining Principal Amount Recorded	Authorized Signature of Trustee or Custodian

Schedule I

FORM OF EXCHANGE NOTICE

To: PROLOGIS, L.P.

The undersigned registered owner of this Security hereby exercises the option to exchange this Security, or the portion hereof (which is $1,000 principal amount or an integral multiple thereof) below designated, into cash, shares of Common Stock, or a combination of cash and shares of Common Stock, in accordance with the terms of the Indenture referred to in this Security, and directs that the shares issuable and deliverable upon such exchange, if any, together with any check in payment of the cash in respect of the remaining Exchange Obligation (as defined in the Indenture) and for fractional shares and any Securities representing any unexchanged principal amount hereof, be issued and delivered to the registered holder hereof unless a different name has been indicated below. If shares or any portion of this Security not exchanged are to be issued in the name of a person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto. Any amount required to be paid to the undersigned on account of interest accompanies this Security.

Dated: ______________________________

Signature(s)

Signature Guarantee

Signature(s) must be guaranteed by an eligible Guarantor Institution (banks, stock brokers, savings and loan associations and credit unions) with membership in an approved signature guarantee medallion program pursuant to Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended, if shares of Common Stock are to be issued, or Securities to be delivered, other than to and in the name of the registered holder.

Fill in for registration of shares if to be issued, and Securities if to be delivered, other than to and in the name of the registered holder:

(Name)

(Street Address)

(City, State and Zip Code)

Please print name and address

Principal amount to be exchanged (if less than all): $__________,000

Social Security or Other Taxpayer Identification Number

FORM OF PUT RIGHT REPURCHASE NOTICE

To: PROLOGIS, L.P.

The undersigned hereby requests and instructs the Company to repay the entire principal amount of this Security, or a portion hereof (which is $1,000 principal amount or an integral multiple thereof) below designated, on April 1, __________ in accordance with the terms of the Indenture referred to in this Security at the Put Right Repurchase Price, to the registered holder hereof.

Dated: ______________________________

Signature(s)

Social Security or Other Taxpayer Identification Number Principal amount to be repaid (if less than all): $___,000 NOTICE: The above signatures of the holder(s) hereof must correspond with the name as written upon the face of the Security in every particular without alteration or enlargement or any change whatever.

FORM OF FUNDAMENTAL CHANGE REPURCHASE NOTICE

To: PROLOGIS, L.P.

The undersigned registered owner of this Security hereby acknowledges receipt of a notice from Prologis, L.P. (the “Company”) as to the occurrence of a Fundamental Change with respect to the Company and requests and instructs the Company to repay the entire principal amount of this Security, or the portion thereof (which is $1,000 principal amount or an integral multiple thereof) below designated, in accordance with the terms of the Indenture referred to in this Security, to the registered holder hereof.

Dated: ______________________________

Signature(s)

Social Security or Other Taxpayer Identification Number Principal amount to be repaid (if less than all): $___,000 NOTICE: The above signatures of the holder(s) hereof must correspond with the name as written upon the face of the Security in every particular without alteration or enlargement or any change whatever.

FORM OF ASSIGNMENT AND TRANSFER

For value received ____________________ hereby sell(s), assign(s) and transfer(s) unto ____________________ (Please insert social security or Taxpayer Identification Number of assignee) the within Security, and hereby irrevocably constitutes and appoints ____________________ attorney to transfer the said Security on the books of the Company, with full power of substitution in the premises.

Dated: ______________________________

Signature(s)

Signature Guarantee

Signature(s) must be guaranteed by an eligible Guarantor Institution (banks, stock brokers, savings and loan associations and credit unions) with membership in an approved signature guarantee medallion program pursuant to Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended, if shares of Common Stock are to be issued, or Securities to be delivered, other than to and in the name of the registered holder.

NOTICE: The signature on the exchange notice, the option to elect repurchase upon a Fundamental Change, the Put Right Notice, or the assignment must correspond with the name as written upon the face of the Security in every particular without alteration or enlargement or any change whatever.

GUARANTEE

FOR VALUE RECEIVED, the undersigned hereby, jointly and severally with any other Guarantors, unconditionally guarantees to the Holder of the accompanying 2.250% Exchangeable Senior Note due 2037 (the "Note") issued by Prologis, L.P. (the "Company") under an Indenture dated as of June 8, 2011 (together with the First Supplemental Indenture thereto, the "Indenture") among the Company, Prologis, Inc., and U.S. Bank National Association, as trustee thereunder (the "Trustee"), (a) the full and prompt payment of the principal of and premium, if any, on such Note when and as the same shall become due and payable, whether at Stated Maturity, by acceleration, by redemption or otherwise, and (b) the full and prompt payment of the interest on such Note when and as the same shall become due and payable, according to the terms of such Note and of the Indenture. In case of the failure of the Company punctually to pay any such principal, premium or interest, the undersigned hereby agrees to cause any such payment to be made punctually when and as the same shall become due and payable, whether at Stated Maturity, upon acceleration, by redemption or otherwise, and as if such payment were made by the Company. The undersigned hereby agrees, jointly and severally with any other Guarantors, that its obligations hereunder shall be as principal and not merely as surety, and shall be absolute and unconditional, and shall not be affected, modified or impaired by the following: (a) the failure to give notice to the Guarantors of the occurrence of an Event of Default under the Indenture; (b) the waiver, surrender, compromise, settlement, release or termination of the payment, performance or observance by the Company or the Guarantors of any or all of the obligations, covenants or agreements of either of them contained in the Indenture or the Notes; (c) the acceleration, extension or any other changes in the time for payment of any principal of or interest or any premium on any Note or for any other payment under the Indenture or of the time for performance of any other obligations, covenants or agreements under or arising out of the Indenture or the Notes; (d) the modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in the Indenture or the Notes; (e) the taking or the omission of any of the actions referred to in the Indenture and in any of the actions under the Notes; (f) any failure, omission, delay or lack on the part of the Trustee to enforce, assert or exercise any right, power or remedy conferred on the Trustee in the Indenture, or any other action or acts on the part of the Trustee or any of the Holders from time to time of the Notes; (g) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets, marshaling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment of, or other similar proceedings affecting the Guarantors or the Company or any of the assets of any of them, or any allegation or contest of the validity of this Guarantee in any such proceeding; (h) to the extent permitted by law, the release or discharge by operation of law of the Guarantors from the performance or observance of any obligation, covenant or agreement contained in the Indenture; (i) to the extent permitted by law, the release or discharge by operation of law of the Company from the performance or observance of any obligation, covenant or agreement contained in the Indenture; (j) the default or failure of the Company or the Trustee fully to perform any of its obligations set forth in the Indenture or the Notes; (k) the invalidity, irregularity or unenforceability of the Indenture or the Notes or any part of any thereof; (l) any judicial or governmental action affecting the Company or any Notes or consent or indulgence granted to the Company by the Holders or by the Trustee; or (m) the recovery of any judgment against the Company or any

action to enforce the same or any other circumstance which might constitute a legal or equitable discharge of a surety or guarantor. The undersigned hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of merger, sale, lease or conveyance of all or substantially all of its assets, insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest or notice with respect to such Notice or the indebtedness evidenced thereby and all demands whatsoever, and covenants that this Guarantee will not be discharged except by complete performance of the obligations contained in such Note and in this Guarantee.

No reference herein to such Indenture and no provision of this Guarantee or of such Indenture shall alter or impair the guarantee of the undersigned, which is absolute and unconditional, of the full and prompt payment of the principal of and premium, if any, and interest on the Note.

THIS GUARANTEE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK.

This Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication on the Note shall have been executed by the Trustee under the Indenture referred to above by the manual signature of one of its authorized officers. The validity and enforceability of this Guarantee shall not be affected by the fact that it is not affixed to any particular Note.

An Event of Default under the Indenture or the Notes shall constitute an event of default under this Guarantee, and shall entitle the Holders of Notes to accelerate the obligations of the undersigned hereunder in the same manner and to the same extent as the obligations of the Company.

Notwithstanding any other provision of this Guarantee to the contrary, the undersigned hereby waives any claims or other rights which it may now have or hereafter acquire against the Company that arise from the existence or performance of its obligations under this Guarantee (all such claims and rights are referred to as “Guarantor’s Conditional Rights”), including, without limitation, any right of subrogation, reimbursement, exoneration, contribution, or indemnification, any right to participate in any claim or remedy against the Company, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, by any payment made hereunder or otherwise, including without limitation, the right to take or receive from the Company, directly or indirectly, in cash or other property or by setoff or in any other manner, payment or security on account of such claim or other rights. Guarantor hereby agrees not to exercise any rights which may be acquired by way of contribution under this Guarantee or any other agreement, by any payment made hereunder or otherwise, including, without limitation, the right to take or receive from any other Guarantor, directly or indirectly, in cash or other property or by setoff or in any other manner, payment or security on account of such contribution rights. If, notwithstanding the foregoing provisions, any amount shall be paid to the undersigned on account of the Guarantor’s Conditional Rights and either (i) such amount is paid to such undersigned party at any time when the indebtedness shall not have been paid or performed in full, or (ii) regardless of when such amount is paid to such undersigned party, any payment made by the Company to a Holder that is at any time determined to be a Preferential Payment (as defined below), then such amount paid to the undersigned shall be held in trust for

the benefit of Holder and shall forthwith be paid to such Holder to be credited and applied upon the indebtedness, whether matured or unmatured. Any such payment is herein referred to as a "Preferential Payment" to the extent the Company makes any payment to Holder in connection with the Note, and any or all of such payment is subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid or paid over to a trustee, receiver or any other entity, whether under any bankruptcy act or otherwise.

To the extent that any of the provisions of the immediately preceding paragraph shall not be enforceable, the undersigned agrees that until such time as the indebtedness has been paid and performed in full and the period of time has expired during which any payment made by the Company or the undersigned to a Holder may be determined to be a Preferential Payment, Guarantor's Conditional Rights to the extent not validly waived shall be subordinate to Holders' right to full payment and performance of the indebtedness and the undersigned shall not enforce any of Guarantor's Conditional Rights until such time as the indebtedness has been paid and performed in full and the period of time has expired during which any payment made by the Company or the undersigned to Holders may be determined to be a Preferential Payment.

The obligations of the undersigned to the Holders of the Notes and to the Trustee pursuant to this Guarantee and the Indenture are expressly set forth in Article 16 of the Indenture and reference is hereby made to the Indenture for the precise terms of this Guarantee and all of the other provisions of the Indenture to which this Guarantee relates.

Capitalized terms used in this Guarantee which are not defined herein shall have the meanings assigned to them in the Indenture.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned has caused this Guarantee to be duly executed.

Dated: June 8, 2011

PROLOGIS, INC.

By: ______________________________

Name: Phillip D. Joseph, Jr.

Title: Senior Vice President and Treasurer

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

PROLOGIS, L.P.

2.250% Exchangeable Senior Notes due 2037

No. 2 $49,041,000

CUSIP No. 74340XAQ4

PROLOGIS, L.P., a limited partnership organized and existing under the laws of the State of Delaware (herein called the "Company," which term includes any successor corporation under the Indenture referred to on the reverse hereof), for value received hereby promises to pay to CEDE & CO., or registered assigns, the principal sum of FORTY NINE MILLION AND FORTY ONE THOUSAND DOLLARS ($49,041,000) or such other principal amount as shall be set forth on the Schedule I hereto on April 1, 2037.

This Security shall bear interest at the rate of 2.250% per year from April 1, 2011, or from the most recent date to which interest had been paid or provided. Interest is payable semi-annually in arrears on each April 1 and October 1, commencing October 1, 2011, to Holders of record at the close of business on the preceding March 15 and September 15, respectively. Interest payable on each Interest Payment Date shall equal the amount of interest accrued from, and including the immediately preceding Interest Payment Date (or from and including April 1, 2011, if no interest has been paid hereon) to but excluding such Interest Payment Date.

Payment of the principal and interest on this Security will be made at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, City of New York, or elsewhere as provided in the Indenture, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; *provided*, *however*, that at the option of the Company, payment of interest may be made by (i) check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register or (ii) transfer to an account of the Person entitled thereto located inside the United States; *provided further*, however, that, with respect to any Holder of Securities with an aggregate principal amount in excess of $1,000,000, at the application of such Holder in writing to the Company, interest on such Holder's Securities shall be paid by wire transfer in immediately available funds to such Holder's account in the United States supplied by such Holder from time to time to the Trustee and Paying Agent (if different from the Trustee) not later than the applicable record date.

Reference is made to the further provisions of this Security set forth on the reverse hereof, including, without limitation, provisions giving the Holder of this Security the right to exchange this Security into cash, shares of Common Stock of the Company or a combination of cash and shares of Common Stock on the terms and subject to the limitations referred to on the reverse hereof and as more fully specified in the Indenture. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This Security shall be deemed to be a contract made under the laws of the State of New York, and for all purposes shall be construed in accordance with the laws of the State of New York applicable to contracts entered into and to be performed therein.

This Security shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been manually signed by the Trustee or a duly authorized authenticating agent under the Indenture.

[Remainder of page intentionally left blank]

Unless the certificate of authentication hereon has been executed by or on behalf of the Trustee by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed by the undersigned officer.

PROLOGIS, L.P.
By: Prologis, Inc., its sole general partner

By: ______________________________
Name: Phillip D. Joseph, Jr.
Title: Senior Vice President and Treasurer

Attest

By: ______________________________
Name: Michael T. Blair
Title: Managing Director and Deputy General Counsel

Dated: June 8, 2011

TRUSTEE'S CERTIFICATE OF AUTHENTICATION:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
as trustee

By: ______________________________
Authorized Officer

PROLOGIS, L.P.
2.250% Exchangeable Senior Notes due 2037

This Security is one of a duly authorized issue of Securities of the Company, designated as its 2.250% Exchangeable Senior Notes due 2037 (herein called the "Securities"), issued under and pursuant to an Indenture dated as of June 8, 2011 (herein called the "Base Indenture"), as supplemented with respect to the Securities by the First Supplemental Indenture (the "First Supplemental Indenture"), dated as of June 8, 2011 (as so supplemented, herein called the "Indenture"), among the Company, Prologis, Inc. (herein called the "Parent Guarantor") and U.S. Bank National Association (herein called the "Trustee"), to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the rights, limitations of rights, obligations, duties and immunities thereunder of the Trustee, the Company, the Parent Guarantor and the Holders of the Securities. Additional Securities may be issued in an unlimited aggregate principal amount, subject to certain conditions specified in the Indenture. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Indenture.

In case an Event of Default, as defined in the Indenture, shall have occurred and be continuing, the principal of and interest on all Securities may be declared, and upon said declaration shall become, due and payable, in the manner, with the effect and subject to the conditions provided in the Indenture.

Prior to April 5, 2012, the Company may not redeem the Securities except to preserve the Company's status as a real estate investment trust as described in Section 3.01 of the First Supplemental Indenture. Subject to the terms and conditions of the Indenture, on or after April 5, 2012, the Company shall have the right to redeem the Securities, in whole or from time to time in part, at a price equal to 100% of the principal amount of the Securities being redeemed, plus accrued and unpaid interest. Any such redemption shall be upon at least 30 days' and no more than 60 days' notice to Holders of the Securities.

Subject to the terms and conditions of the Indenture, the Company will make all payments and deliveries in respect of the Fundamental Change Repurchase Price, the Put Right Repurchase Price, the Redemption Price and the principal amount on the Maturity Date, as the case may be, to the Holder who surrenders a Security to a Paying Agent to collect such payments in respect of the Security. The Company will pay cash amounts in money of the United States that at the time of payment is legal tender for payment of public and private debts.

The Indenture contains provisions permitting the Company, the Parent Guarantor and the Trustee in certain circumstances, without the consent of the Holders of the Securities, and in other circumstances, with the consent of the Holders of not less than a majority in principal amount of the Securities at the time Outstanding, evidenced as in the Indenture provided, to execute supplemental indentures adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or of any supplemental indenture or modifying in any manner the rights of the Holders of the Securities; *provided*, *however*, that no such supplemental indenture shall make any of the changes set forth in Section 6.02 of the First

Supplemental Indenture, without the consent of each Holder of an Outstanding Security affected thereby. It is also provided in the Indenture that, prior to any declaration accelerating the maturity of the Securities, the Holders of a majority in principal amount of the Securities at the time Outstanding may on behalf of the Holders of all of the Securities waive any past default or Event of Default under the Indenture and its consequences except as provided in the Indenture. Any such consent or waiver by the Holder of this Security (unless revoked as provided in the Indenture) shall be conclusive and binding upon such Holder and upon all future Holders and owners of this Security and any Securities which may be issued in exchange or substitution hereof, irrespective of whether or not any notation thereof is made upon this Security or such other Securities.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and accrued and unpaid interest on this Security at the place, at the respective times, at the rate and in the lawful money herein prescribed.

The Securities are issuable in registered form without coupons in denominations of $1,000 principal amount and integral multiples thereof. At the office or agency of the Company referred to on the face hereof, and in the manner and subject to the limitations provided in the Indenture, without payment of any service charge but with payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration or exchange of Securities, Securities may be exchanged for a like aggregate principal amount of Securities of other authorized denominations.

The Securities are not subject to redemption through the operation of any sinking fund.

Upon the occurrence of a Fundamental Change, the Holder has the right, at such Holder’s option, to require the Company to repurchase all of such Holder’s Securities or any portion thereof (in principal amounts of $1,000 or integral multiples thereof) on the Fundamental Change Repurchase Date at a price equal to 100% of the principal amount of the Securities such holder elects to require the Company to repurchase, together with accrued and unpaid interest to but excluding the Fundamental Change Repurchase Date. The Company or, at the written request of the Company, the Trustee shall mail to all Holders of record of the Securities a notice of the occurrence of a Fundamental Change and of the repurchase right arising as a result thereof on or before the twentieth day after the occurrence of any Fundamental Change.

On April 1, 2012, April 1, 2017, April 1, 2022, April 1, 2027 and April 1, 2032, the Holder has the right, at such Holder’s option, to require the Company to repurchase all of such Holder’s Securities or any portion thereof (in principal amounts of $1,000 or integral multiples thereof) at a price equal to 100% of the principal amount of the Securities such Holder elects to require the Company to repurchase, together with accrued and unpaid interest to but excluding the Put Right Repurchase Date. Holders shall submit their Securities for repurchase to the Paying Agent at any time from the opening of business on the date that is 25 Business Days prior to the applicable Put Right Repurchase Date until the close of business on the fifth Business Day prior to the Put Right Repurchase Date.

Subject to the provisions of the Indenture, the Holder hereof has the right, at its option, on and after February 1, 2012, or earlier upon the occurrence of certain conditions specified in the Indenture and prior to the close of business on the Trading Day immediately preceding the Maturity Date, to exchange any Securities or portion thereof which is $1,000 or an integral multiple thereof, into cash, shares of Common Stock or a combination of cash and shares of Common Stock, at the option of the Company as provided in the First Supplemental Indenture, in each case at the Exchange Rate specified in the Indenture, as adjusted from time to time as provided in the Indenture, upon surrender of this Security, together with a Notice of Exchange, a form of which is attached to this Security, as provided in the Indenture and this Security, to the Company at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, City of New York or elsewhere as provided in the Indenture, and, unless the shares issuable on exchange are to be issued in the same name as this Security, duly endorsed by, or accompanied by instruments of transfer in form satisfactory to the Company duly executed by, the Holder or by his duly authorized attorney. The initial Exchange Rate is 5.8752 shares for each $1,000 principal amount of Securities. No fractional shares of Common Stock will be issued upon any exchange, but an adjustment in cash will be paid to the Holder, as provided in the Indenture, in respect of any fraction of a share which would otherwise be issuable upon the surrender of any Security or Securities for exchange. No adjustment shall be made for dividends or any shares issued upon exchange of such Security except as provided in the Indenture.

Upon due presentment for registration of transfer of this Security at the office or agency of the Company in the Borough of Manhattan, City of New York, a new Security or Securities of authorized denominations for an equal aggregate principal amount will be issued to the transferee in exchange thereof, subject to the limitations provided in the Indenture, without charge except for any tax, assessments or other governmental charge imposed in connection therewith.

The Company, the Trustee, any authenticating agent, any Paying Agent, any Exchange Agent and any Security Registrar may deem and treat the registered Holder hereof as the absolute owner of this Security (whether or not this Security shall be overdue and notwithstanding any notation of ownership or other writing hereon), for the purpose of receiving payment hereof, or on account hereof, for the exchange hereof and for all other purposes, and neither the Company nor the Trustee nor any other authenticating agent nor any Paying Agent nor any other Exchange Agent nor any Security Registrar shall be affected by any notice to the contrary. All payments made to or upon the order of such registered Holder shall, to the extent of the sum or sums paid, satisfy and discharge liability for monies payable on this Security.

Except as provided in Article Sixteen of the Base Indenture, no recourse under or upon any obligation, covenant or agreement contained in the Indenture or in this Security, or because of any indebtedness evidenced thereby, shall be had against any promoter, as such, or against any past, present or future stockholder, partner, director, officer, employee, agent thereof or trustee, as such, of the Company or any Guarantor or of any successor thereof, either directly or through the Company or any Guarantor or any successor thereof, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability being expressly waived and released by the acceptance of this Security by the Holder thereof and as part of the consideration for the issue of the Securities of this series.

Terms used in this Security and defined in the Indenture are used herein as therein defined.

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (=tenants in common), TENANT (=tenants by the entireties), JT TEN (joint tenants with right of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform gift to Minors Act).

Schedule I

PROLOGIS, L.P.

2.25% Exchangeable Senior Notes due 2037

No. 2

Date	Principal Amount	Notation Explaining Principal Amount Recorded	Authorized Signature of Trustee or Custodian

Schedule I

FORM OF EXCHANGE NOTICE

To: PROLOGIS, L.P.

The undersigned registered owner of this Security hereby exercises the option to exchange this Security, or the portion hereof (which is $1,000 principal amount or an integral multiple thereof) below designated, into cash, shares of Common Stock, or a combination of cash and shares of Common Stock, in accordance with the terms of the Indenture referred to in this Security, and directs that the shares issuable and deliverable upon such exchange, if any, together with any check in payment of the cash in respect of the remaining Exchange Obligation (as defined in the Indenture) and for fractional shares and any Securities representing any unexchanged principal amount hereof, be issued and delivered to the registered holder hereof unless a different name has been indicated below. If shares or any portion of this Security not exchanged are to be issued in the name of a person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto. Any amount required to be paid to the undersigned on account of interest accompanies this Security.

Dated: ______________________________

Signature(s)

Signature Guarantee

Signature(s) must be guaranteed by an eligible Guarantor Institution (banks, stock brokers, savings and loan associations and credit unions) with membership in an approved signature guarantee medallion program pursuant to Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended, if shares of Common Stock are to be issued, or Securities to be delivered, other than to and in the name of the registered holder.

Fill in for registration of shares if to be issued, and Securities if to be delivered, other than to and in the name of the registered holder:

(Name)

(Street Address)

(City, State and Zip Code)

Please print name and address

Principal amount to be exchanged (if less than all): $__________,000

Social Security or Other Taxpayer Identification Number

FORM OF PUT RIGHT REPURCHASE NOTICE

To: PROLOGIS, L.P.

The undersigned hereby requests and instructs the Company to repay the entire principal amount of this Security, or a portion hereof (which is $1,000 principal amount or an integral multiple thereof) below designated, on April 1, __________ in accordance with the terms of the Indenture referred to in this Security at the Put Right Repurchase Price, to the registered holder hereof.

Dated: ______________________________

Signature(s)

Social Security or Other Taxpayer Identification Number Principal amount to be repaid (if less than all): $___,000 NOTICE: The above signatures of the holder(s) hereof must correspond with the name as written upon the face of the Security in every particular without alteration or enlargement or any change whatever.

FORM OF FUNDAMENTAL CHANGE REPURCHASE NOTICE

To: PROLOGIS, L.P.

The undersigned registered owner of this Security hereby acknowledges receipt of a notice from Prologis, L.P. (the “Company”) as to the occurrence of a Fundamental Change with respect to the Company and requests and instructs the Company to repay the entire principal amount of this Security, or the portion thereof (which is $1,000 principal amount or an integral multiple thereof) below designated, in accordance with the terms of the Indenture referred to in this Security, to the registered holder hereof.

Dated: ______________________________

Signature(s)

Social Security or Other Taxpayer Identification Number Principal amount to be repaid (if less than all): $___,000 NOTICE: The above signatures of the holder(s) hereof must correspond with the name as written upon the face of the Security in every particular without alteration or enlargement or any change whatever.

FORM OF ASSIGNMENT AND TRANSFER

For value received ____________________ hereby sell(s), assign(s) and transfer(s) unto ____________________ (Please insert social security or Taxpayer Identification Number of assignee) the within Security, and hereby irrevocably constitutes and appoints ____________________ attorney to transfer the said Security on the books of the Company, with full power of substitution in the premises.

Dated: ______________________________

Signature(s)

Signature Guarantee

Signature(s) must be guaranteed by an eligible Guarantor Institution (banks, stock brokers, savings and loan associations and credit unions) with membership in an approved signature guarantee medallion program pursuant to Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended, if shares of Common Stock are to be issued, or Securities to be delivered, other than to and in the name of the registered holder.

NOTICE: The signature on the exchange notice, the option to elect repurchase upon a Fundamental Change, the Put Right Notice, or the assignment must correspond with the name as written upon the face of the Security in every particular without alteration or enlargement or any change whatever.

GUARANTEE

FOR VALUE RECEIVED, the undersigned hereby, jointly and severally with any other Guarantors, unconditionally guarantees to the Holder of the accompanying 2.250% Exchangeable Senior Note due 2037 (the "Note") issued by Prologis, L.P. (the "Company") under an Indenture dated as of June 8, 2011 (together with the First Supplemental Indenture thereto, the "Indenture") among the Company, Prologis, Inc., and U.S. Bank National Association, as trustee thereunder (the "Trustee"), (a) the full and prompt payment of the principal of and premium, if any, on such Note when and as the same shall become due and payable, whether at Stated Maturity, by acceleration, by redemption or otherwise, and (b) the full and prompt payment of the interest on such Note when and as the same shall become due and payable, according to the terms of such Note and of the Indenture. In case of the failure of the Company punctually to pay any such principal, premium or interest, the undersigned hereby agrees to cause any such payment to be made punctually when and as the same shall become due and payable, whether at Stated Maturity, upon acceleration, by redemption or otherwise, and as if such payment were made by the Company. The undersigned hereby agrees, jointly and severally with any other Guarantors, that its obligations hereunder shall be as principal and not merely as surety, and shall be absolute and unconditional, and shall not be affected, modified or impaired by the following: (a) the failure to give notice to the Guarantors of the occurrence of an Event of Default under the Indenture; (b) the waiver, surrender, compromise, settlement, release or termination of the payment, performance or observance by the Company or the Guarantors of any or all of the obligations, covenants or agreements of either of them contained in the Indenture or the Notes; (c) the acceleration, extension or any other changes in the time for payment of any principal of or interest or any premium on any Note or for any other payment under the Indenture or of the time for performance of any other obligations, covenants or agreements under or arising out of the Indenture or the Notes; (d) the modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in the Indenture or the Notes; (e) the taking or the omission of any of the actions referred to in the Indenture and in any of the actions under the Notes; (f) any failure, omission, delay or lack on the part of the Trustee to enforce, assert or exercise any right, power or remedy conferred on the Trustee in the Indenture, or any other action or acts on the part of the Trustee or any of the Holders from time to time of the Notes; (g) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets, marshaling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment of, or other similar proceedings affecting the Guarantors or the Company or any of the assets of any of them, or any allegation or contest of the validity of this Guarantee in any such proceeding; (h) to the extent permitted by law, the release or discharge by operation of law of the Guarantors from the performance or observance of any obligation, covenant or agreement contained in the Indenture; (i) to the extent permitted by law, the release or discharge by operation of law of the Company from the performance or observance of any obligation, covenant or agreement contained in the Indenture; (j) the default or failure of the Company or the Trustee fully to perform any of its obligations set forth in the Indenture or the Notes; (k) the invalidity, irregularity or unenforceability of the Indenture or the Notes or any part of any thereof; (l) any judicial or governmental action affecting the Company or any Notes or consent or indulgence granted to the Company by the Holders or by the Trustee; or (m) the recovery of any judgment against the Company or any

action to enforce the same or any other circumstance which might constitute a legal or equitable discharge of a surety or guarantor. The undersigned hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of merger, sale, lease or conveyance of all or substantially all of its assets, insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest or notice with respect to such Notice or the indebtedness evidenced thereby and all demands whatsoever, and covenants that this Guarantee will not be discharged except by complete performance of the obligations contained in such Note and in this Guarantee.

No reference herein to such Indenture and no provision of this Guarantee or of such Indenture shall alter or impair the guarantee of the undersigned, which is absolute and unconditional, of the full and prompt payment of the principal of and premium, if any, and interest on the Note.

THIS GUARANTEE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK.

This Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication on the Note shall have been executed by the Trustee under the Indenture referred to above by the manual signature of one of its authorized officers. The validity and enforceability of this Guarantee shall not be affected by the fact that it is not affixed to any particular Note.

An Event of Default under the Indenture or the Notes shall constitute an event of default under this Guarantee, and shall entitle the Holders of Notes to accelerate the obligations of the undersigned hereunder in the same manner and to the same extent as the obligations of the Company.

Notwithstanding any other provision of this Guarantee to the contrary, the undersigned hereby waives any claims or other rights which it may now have or hereafter acquire against the Company that arise from the existence or performance of its obligations under this Guarantee (all such claims and rights are referred to as “Guarantor’s Conditional Rights”), including, without limitation, any right of subrogation, reimbursement, exoneration, contribution, or indemnification, any right to participate in any claim or remedy against the Company, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, by any payment made hereunder or otherwise, including without limitation, the right to take or receive from the Company, directly or indirectly, in cash or other property or by setoff or in any other manner, payment or security on account of such claim or other rights. Guarantor hereby agrees not to exercise any rights which may be acquired by way of contribution under this Guarantee or any other agreement, by any payment made hereunder or otherwise, including, without limitation, the right to take or receive from any other Guarantor, directly or indirectly, in cash or other property or by setoff or in any other manner, payment or security on account of such contribution rights. If, notwithstanding the foregoing provisions, any amount shall be paid to the undersigned on account of the Guarantor’s Conditional Rights and either (i) such amount is paid to such undersigned party at any time when the indebtedness shall not have been paid or performed in full, or (ii) regardless of when such amount is paid to such undersigned party, any payment made by the Company to a Holder that is at any time determined to be a Preferential Payment (as defined below), then such amount paid to the undersigned shall be held in trust for

the benefit of Holder and shall forthwith be paid to such Holder to be credited and applied upon the indebtedness, whether matured or unmatured. Any such payment is herein referred to as a “Preferential Payment” to the extent the Company makes any payment to Holder in connection with the Note, and any or all of such payment is subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid or paid over to a trustee, receiver or any other entity, whether under any bankruptcy act or otherwise.

To the extent that any of the provisions of the immediately preceding paragraph shall not be enforceable, the undersigned agrees that until such time as the indebtedness has been paid and performed in full and the period of time has expired during which any payment made by the Company or the undersigned to a Holder may be determined to be a Preferential Payment, Guarantor’s Conditional Rights to the extent not validly waived shall be subordinate to Holders’ right to full payment and performance of the indebtedness and the undersigned shall not enforce any of Guarantor’s Conditional Rights until such time as the indebtedness has been paid and performed in full and the period of time has expired during which any payment made by the Company or the undersigned to Holders may be determined to be a Preferential Payment.

The obligations of the undersigned to the Holders of the Notes and to the Trustee pursuant to this Guarantee and the Indenture are expressly set forth in Article 16 of the Indenture and reference is hereby made to the Indenture for the precise terms of this Guarantee and all of the other provisions of the Indenture to which this Guarantee relates.

Capitalized terms used in this Guarantee which are not defined herein shall have the meanings assigned to them in the Indenture.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned has caused this Guarantee to be duly executed.

Dated: June 8, 2011

PROLOGIS, INC.

By: ______________________________

Name: Phillip D. Joseph, Jr.

Title: Senior Vice President and Treasurer

EXHIBIT 4.4

PROLOGIS, L.P.

as Issuer,

PROLOGIS, INC., as Parent Guarantor

and

U.S. BANK NATIONAL ASSOCIATION

as Trustee

SECOND SUPPLEMENTAL INDENTURE

Dated as of June 8, 2011

1.875% Exchangeable Senior Notes due 2037

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SECOND SUPPLEMENTAL INDENTURE

1.875% Exchangeable Senior Notes due 2037

THIS SECOND SUPPLEMENTAL INDENTURE (this "Second Supplemental Indenture") is dated as of June 8, 2011, by and among PROLOGIS, L.P., a Delaware limited partnership (hereinafter called the "Company"), having its principal office at Pier 1, Bay 1, San Francisco, California 94111, PROLOGIS, INC., a Maryland corporation (hereinafter called "Parent"), having its principal office at Pier 1, Bay 1, San Francisco, California 94111 and U.S. BANK NATIONAL ASSOCIATION, as Trustee under the Base Indenture (hereinafter called the "Trustee"), having its Corporate Trust Office at 100 Wall Street, Suite 1600, New York, New York 10005, under the Base Indenture (defined below).

RECITALS:

The Company, Parent and the Trustee have heretofore entered into an Indenture dated as of June 8, 2011, as amended by a First Supplemental Indenture dated as of June 8, 2011 (as so supplemented hereinafter called the "Base Indenture"), among the Company, Parent and the Trustee, providing for the issuance by the Company from time to time of its senior debt securities evidencing its unsubordinated indebtedness (the "Securities").

Section 301 of the Base Indenture provides for various matters with respect to any series of Securities issued under the Base Indenture to be established in an indenture supplemental to the Base Indenture.

Section 901(7) of the Base Indenture provides for the Company, Parent and the Trustee to enter into an indenture supplemental to the Base Indenture to establish the form or terms of Securities of any series as provided by Sections 201 and 301 of the Base Indenture without the consent of the Holders of any Securities.

WHEREAS, for its lawful corporate purposes, the Company has duly authorized the issue of its 1.875% Exchangeable Senior Notes due 2037 (hereinafter referred to as the "Notes"), initially in an aggregate principal amount not to exceed $140,987,000, and in order to provide the terms and conditions upon which the Notes are to be authenticated, issued and delivered, the Board of Directors has duly authorized the execution and delivery of this Second Supplemental Indenture; and

WHEREAS, the Notes, the certificate of authentication to be borne by the Notes, a form of assignment, a form of the Fundamental Change Repurchase Notice, a form of option to elect repayment on a Put Right Repurchase Date, a form of exchange notice, a form of certificate of transfer and the Guarantee to be borne by the Notes are to be substantially in the forms hereinafter provided for; and

All things necessary to make the Base Indenture, as hereby modified, a valid agreement of the Company and Parent, in accordance with its terms, have been done.

NOW THEREFORE, THIS SECOND SUPPLEMENTAL INDENTURE WITNESSETH:

For and in consideration of the premises and of the covenants contained herein and in the Base Indenture, the Company, Parent and the Trustee covenant and agree, for the equal and proportionate benefit of all Holders of the Notes issued on or after the date of this Second Supplemental Indenture, as follows:

ARTICLE I

DEFINITIONS

Section 1.01 *Relation to Base Indenture.* This Second Supplemental Indenture constitutes an integral part of the Base Indenture.

Section 1.02 *Definitions*. For all purposes of this Second Supplemental Indenture, except as otherwise expressly provided for or unless the context otherwise requires:

(a) Capitalized terms used but not defined herein shall have the respective meanings assigned to them in the Base Indenture;

(b) Terms defined both herein and in the Base Indenture shall have the meanings assigned to them herein;

(c) All references herein to Articles and Sections, unless otherwise specified, refer to the corresponding Articles and Sections of this Second Supplemental Indenture; and

(d) All other terms used in this Second Supplemental Indenture, which are defined in the Trust Indenture Act or which are by reference therein defined in the Securities Act (except as herein otherwise expressly provided or unless the context otherwise requires) shall have the meanings assigned to such terms in said Trust Indenture Act and in said Securities Act as in force at the date of the execution of this Second Supplemental Indenture. The words "herein," "hereof," "hereunder," and words of similar import refer to this Second Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision. The terms defined in this Article include the plural as well as the singular.

"Additional Shares" shall have the meaning specified in Section 8.01(g).

"Board of Directors" means the board of directors of Parent or, if Parent shall be succeeded by a corporation pursuant to Article VII, the board of directors of Parent's corporate successor or any committee of such applicable board of directors duly authorized to act generally or in any particular respect hereunder.

"Business Day" means any day, other than a Saturday or Sunday, or legal holidays on which banks in The City of New York are not authorized or required by law or executive order to be closed.

"cash percentage" shall have the meaning specified in Section 8.02(a)(4).

"cash percentage notice" shall have the meaning specified in Section 8.02(a)(4).

"close of business" means 5:00 p.m. (New York City time).

"Common Stock" means, subject to Section 8.06, the common stock of Parent, par value $0.01 per share, at the date of this Second Supplemental Indenture or shares of any class or classes resulting from any reclassification or reclassifications thereof and that have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation, dissolution or winding up of Parent and that are not subject to redemption by Parent; provided that if at any time there shall be more than one such resulting class, the shares of each such class then so issuable shall be substantially in the proportion which the total number of shares of such class resulting from all such reclassifications bears to the total number of shares of all such classes resulting from all such reclassifications.

"Company" means Prologis, L.P., a Delaware limited partnership, and subject to the provisions of Article VII, shall include its successors and assigns.

"Company Put Right Notice" shall have the meaning specified in Section 9.01(c).

"Company Put Right Notice Date" shall have the meaning specified in Section 9.01(c).

"Daily Exchange Value" means, for each of the 20 consecutive Trading Days during the Observation Period, one-twentieth (1/20) of the product of (a) the applicable Exchange Rate and (b) the Daily VWAP of the Common Stock (or the Reference Property, if applicable) on such day.

"Daily Settlement Amount," for each of the 20 Trading Days during the Observation Period, shall consist of:

(i) cash equal to the lesser of $50 and the Daily Exchange Value relating to such day; and

(ii) if such Daily Exchange Value exceeds $50, a number of shares of Common Stock equal to (A) the difference between such Daily Exchange Value and $50, divided by (B) the Daily VWAP of the shares of Common Stock for such day, subject to the Company's right to deliver cash in lieu of all or a portion of such shares of Common Stock pursuant to Section 8.02(a)(4) hereof.

"Daily VWAP" for the Common Stock means, for each of the 20 consecutive Trading Days during the Observation Period, the per share volume-weighted average price as displayed under the heading "Bloomberg VWAP" on Bloomberg page PLD <equity> AQR in respect of the period from 9:30 a.m. to 4:00 p.m. (New York City time) on such Trading Day (or if such volume-weighted average price is unavailable, the market value of one share of Common Stock on such Trading Day as the Board of Directors determines in good faith using a volume-weighted method).

"Depositary" means, with respect to the Notes issuable or issued in whole or in part in global form, the person specified in the Base Indenture as the Depositary with respect to such Notes, until a successor shall have been appointed and become such pursuant to the applicable

provisions of this Second Supplemental Indenture, and thereafter, “Depositary” shall mean or include such successor.

“Distributed Property” shall have the meaning specified in Section 8.04(c).

“Dividend Threshold Amount” shall have the meaning specified in Section 8.04(d).

“Effective Date” shall have the meaning specified in Section 8.01(g)(ii).

“Event of Default” means, with respect to the Notes, any event specified in Section 5.01, continued for the period of time, if any, and after the giving of notice, if any, therein designated.

“Ex-Date” means, with respect to any issuance or distribution on the Common Stock or any other equity security, the first date on which the shares of Common Stock or such other equity security trade on the applicable exchange or in the applicable market, regular way, without the right to receive such issuance or distribution.

“Ex-Dividend Date” means, with respect to Section 8.01(e), the first date upon which a sale of the shares of Common Stock does not automatically transfer the right to receive the relevant dividend from the seller of the shares of Common Stock to its buyer.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“Exchange Agent” shall mean the Trustee or any successor office or agency where the Notes may be surrendered for exchange.

“Exchange Date” shall have the meaning specified in Section 8.02(c).

“Exchange Obligation” shall have the meaning specified in Section 8.01(a).

“Exchange Price” means as of any date $1,000 divided by the Exchange Rate as of such date.

“Exchange Rate” shall have the meaning specified in Section 8.01(a).

“Exchange Trigger Price” shall have the meaning specified in Section 8.01(c).

“Fundamental Change” shall be deemed to occur upon the consummation of any transaction or event (whether by means of an exchange offer, liquidation, tender offer, consolidation, merger, combination, reclassification, recapitalization or otherwise) in connection with which more than 50% of the shares of Common Stock are exchanged for, converted into, acquired for or constitutes solely the right to receive, consideration which is not at least 90% common stock (or American Depositary Shares representing shares of common stock) that is: (a) listed on, or immediately after the consummation of such transaction or event, will be listed on, a United States national securities exchange or (b) approved, or immediately after such transaction or event will be approved, for listing or quotation on any United States system of automated dissemination of quotations of securities prices.

"Fundamental Change Company Notice" shall have the meaning specified in Section 9.02(b).

"Fundamental Change Repurchase Date" shall have the meaning specified in Section 9.02(a).

"Fundamental Change Repurchase Notice" shall have the meaning specified in Section 9.02(a)(i).

"Fundamental Change Repurchase Price" shall have the meaning specified in Section 9.02(a).

"Global Note" shall have the meaning specified in Section 2.06(e).

"Independent Securities Dealer" shall have the meaning specified in Section 8.01(b).

"interest" means, when used with reference to the Notes, any interest payable under the terms of the Notes.

"Interest Payment Date" means May 15 and November 15 of each year, beginning on November 15, 2011.

"Last Reported Sale Price" means, with respect to the shares of Common Stock or any other security for which a Last Reported Sale Price must be determined, on any date, the closing sale price per share of the Common Stock or unit of such other security (or, if no closing sale price is reported, the average of the last bid and last ask prices or, if more than one in either case, the average of the average last bid and the average last ask prices) on such date as reported in composite transactions for the principal United States securities exchange on which the Common Stock or such other security is traded. If the Common Stock or such other security is not listed for trading on a United States national or regional securities exchange on the relevant date, the Last Reported Sale Price shall be the last quoted bid price per share of Common Stock or such other security in the over-the-counter market on the relevant date, as reported by the National Quotation Bureau or similar organization. If the shares of Common Stock or such other security are not so quoted, the Last Reported Sale Price shall be the average of the mid-point of the last bid and ask prices per share of Common Stock or such other security on the relevant date from each of at least three nationally recognized independent investment banking firms selected from time to time by the Board of Directors for that purpose. The Last Reported Sale Price shall be determined without reference to extended or after-hours trading.

"Market Disruption Event" means the occurrence or existence for more than a one-half hour period in the aggregate on any scheduled Trading Day for the Common Stock of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the stock exchange or otherwise) in the Common Stock or in any options, contracts or future contracts relating to the Common Stock, and such suspension or limitation occurs or exists at any time before 1:00 p.m. (New York City time) on such day.

"Maturity Date" means November 15, 2037.

"Measurement Period" shall have the meaning specified in Section 8.01(b).

"Merger Event" shall have the meaning specified in Section 8.06.

"Noteholder" or "Holder" or "holder," as applied to any Note, or other similar terms (but excluding the term "beneficial holder"), means any person in whose name at the time a particular Note is registered on the Security Register.

"Notice of Exchange" shall have the meaning specified in Section 8.02(c).

"Observation Period" means the 20 consecutive Trading Day period beginning on and including the second Trading Day after the related Exchange Date in respect of such Note.

"opening of business" means 9:00 a.m. (New York City time).

"Parent" means Prologis, Inc., a Maryland corporation, and subject to the provisions of Article VII, shall include its successors and assigns.

"Predecessor Note" of any particular Note means every previous Note evidencing all or a portion of the same debt as that evidenced by such particular Note; and, for the purposes of this definition, any Note authenticated and delivered under Section 306 of the Base Indenture in lieu of a lost, destroyed or stolen Note shall be deemed to evidence the same debt as the lost, destroyed or stolen Note that it replaces.

"Put Right Repurchase Date" shall have the meaning assigned to it in Section 9.01(b).

"Put Right Repurchase Notice" shall have the meaning assigned to it in Section 9.01(b)(i).

"Put Right Repurchase Price" shall have the meaning assigned to it in Section 9.01(b).

"Record Date," with respect to the payment of interest on any Interest Payment Date, shall have the meaning specified in Section 2.03.

"Reference Property" shall have the meaning specified in Section 8.06(b).

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Settlement Amount" shall have the meaning specified in Section 8.02(a)(1).

"Spin-Off" shall have the meaning specified in Section 8.04(c).

"Stock Price" means the price paid per share of Common Stock in connection with a Fundamental Change pursuant to which Additional Shares shall be added to the Exchange Rate as set forth in Section 8.01(e)(ii) hereof, which shall be equal to (i) if holders of shares of Common Stock receive only cash in such Fundamental Change, the cash amount paid per share of Common Stock and (ii) in all other cases, the average of the Last Reported Sale Prices of the

Common Stock over the five consecutive Trading Day period ending on the Trading Day preceding the Effective Date of the Fundamental Change.

"Trading Day" means a day during which (i) trading in Common Stock generally occurs, (ii) there is no Market Disruption Event and (iii) a Last Reported Sale Price of the Common Stock (other than a Last Reported Sale Price referred to in the next to last sentence of such definition) is available for such day; provided that if the shares of Common Stock are not admitted for trading or quotation on or by any exchange, bureau or other organization referred to in the definition of Last Reported Sale Price (excluding the next to last sentence of that definition), Trading Day shall mean any Business Day.

"Trading Price" with respect to the Notes, on any date of determination, means the average of the secondary market bid quotations obtained by the Company and delivered to the Trustee for $2.0 million principal amount of Notes at approximately 3:30 p.m., New York City time, on such determination date from three independent nationally recognized securities dealers selected by the Company; provided that if three such bids cannot reasonably be obtained, but two such bids are obtained, then the average of the two bids shall be used, and if only one such bid can reasonably be obtained, that one bid shall be used. If the Company cannot reasonably obtain at least one bid for $2.0 million principal amount of Notes from a nationally recognized securities dealer, then the Trading Price per $1,000 principal amount of Notes will be deemed to be less than 98% of the product of the Last Reported Sale Price of the Common Stock and the Exchange Rate.

"Trigger Event" shall have the meaning specified in Section 8.04(c).

ARTICLE II

ISSUE, DESCRIPTION, EXECUTION, REGISTRATION AND EXCHANGE OF NOTES

Section 2.01 *Designation and Amount*. The Notes shall be designated as the "1.875% Exchangeable Senior Notes due 2037." The aggregate principal amount of Notes that may be authenticated and delivered under this Second Supplemental Indenture is initially limited to $140,987,000, subject to Section 2.07 and except for Notes authenticated and delivered upon registration or transfer of, or in exchange for, or in lieu of other Notes pursuant to Section 2.06, Section 8.02 and Section 9.02 hereof and Section 306 and Section 906 of to the Base Indenture.

Section 2.02 *Form of Notes*. The Notes, the Guarantee and the Trustee's certificate of authentication to be borne by such Notes shall be substantially in the form set forth in Exhibit A.

Any of the Notes may have such letters, numbers or other marks of identification and such notations, legends or endorsements as the officers executing the same may approve (execution thereof to be conclusive evidence of such approval) and as are not inconsistent with the provisions of this Second Supplemental Indenture, or as may be required by the Depositary, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any securities exchange or automated quotation system

on which the Notes may be listed or designated for issuance, or to conform to usage or to indicate any special limitations or restrictions to which any particular Notes are subject.

A Global Note shall represent such principal amount of the Outstanding Notes as shall be specified therein and shall provide that it shall represent the aggregate principal amount of Outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of Outstanding Notes represented thereby may from time to time be increased or reduced to reflect repurchases, conversions, transfers or exchanges permitted hereby. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the amount of Outstanding Notes represented thereby shall be made by the Trustee or the Custodian, at the direction of the Trustee, in such manner and upon instructions given by the Holder of such Notes in accordance with this Second Supplemental Indenture. Payment of principal and accrued and unpaid interest on a Global Note shall be made to the Holder of such Note on the date of payment, unless a Record Date or other means of determining Holders eligible to receive payment is provided for herein.

The terms and provisions contained in the form of Note attached as Exhibit A hereto are incorporated herein and shall constitute, and are hereby expressly made, a part of this Second Supplemental Indenture and to the extent applicable, the Company, Parent and the Trustee, by their execution and delivery of this Second Supplemental Indenture, expressly agree to such terms and provisions and to be bound thereby.

Section 2.03 *Date and Denomination of Notes; Payments of Interest*. The Notes shall be issuable in registered form without coupons in denominations of $1,000 principal amount and integral multiples thereof. Each Note shall be dated the date of its authentication and shall bear interest from the date specified on the face of the form of Note attached as Exhibit A hereto. Interest on the Notes shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

The Person in whose name any Note (or its Predecessor Note) is registered on the Security Register at the close of business on any Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date. Interest shall be payable at the office of the Company maintained by the Company for such purposes in the Borough of Manhattan, City of New York, which shall initially be an office or agency of the Trustee. The Company shall pay interest (i) on any Notes in certificated form by check mailed to the address of the Person entitled thereto as it appears in the Security Register (or upon written application by such Person to the Security Registrar not later than the relevant record date, by wire transfer in immediately available funds to such Person's account within the United States, if such Person is entitled to interest on an aggregate principal in excess of $1,000,000) or (ii) on any Global Note by wire transfer of immediately available funds to the account of the Depositary or its nominee. The term "Record Date" with respect to any Interest Payment Date shall mean the May 1 or November 1 preceding the applicable May 15 or November 15 Interest Payment Date, respectively.

Section 2.04 *Intentionally Omitted.*

Section 2.05 *Execution, Authentication and Delivery of Notes*. Section 303 of the Base Indenture shall be applicable to the Notes.

Section 2.06 *Exchange and Registration of Transfer of Notes; Restrictions on Transfer; Depositary.*

(a) The Company shall provide for the registration of the Notes and of transfers of the Notes in the Security Register. Upon surrender for registration of transfer of any Note to the Security Registrar or any co-registrar, and satisfaction of the requirements for such transfer set forth in this Section 2.06, the Company shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Notes of any authorized denominations and of a like aggregate principal amount.

Notes may be exchanged for other Notes of any authorized denominations and of a like aggregate principal amount, upon surrender of the Notes to be exchanged at any such office or agency maintained by the Company pursuant to Section 4.02. Whenever any Notes are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Notes which the Noteholder making the exchange is entitled to receive, bearing registration numbers not contemporaneously outstanding.

All Notes presented or surrendered for registration of transfer or for exchange, repurchase or conversion shall (if so required by the Company, the Trustee, the Security Registrar or any co-registrar) be duly endorsed, or be accompanied by a written instrument or instruments of transfer in form satisfactory to the Company and duly executed, by the Noteholder thereof or his attorney-in-fact duly authorized in writing.

No service charge shall be charged to the Noteholder for any exchange or registration of transfer of Notes, but the Company or the Trustee may require payment of a sum sufficient to cover any tax, assessments or other governmental charges that may be imposed in connection therewith.

None of the Company, the Trustee, the Security Registrar or any co-registrar shall be required to exchange or register a transfer of (a) any Notes surrendered for exchange or, if a portion of any Note is surrendered for exchange, such portion thereof surrendered for exchange or (b) any Notes, or a portion of any Note, surrendered for repurchase (and not withdrawn) in accordance with Article IX hereof.

All Notes issued upon any registration of transfer or exchange of Notes in accordance with this Second Supplemental Indenture shall be the valid, binding and legal obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Second Supplemental Indenture as the Notes surrendered upon such registration of transfer or exchange.

(b) *Intentionally Omitted.*

(c) *Intentionally Omitted.*

(d) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this instrument or under applicable law with respect to any transfer of any interest in any Note other than to require delivery of such certificates and other documentation or evidence as are expressly required by,

and to do so if and when expressly required by, the terms of this instrument, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

(e) So long as the Notes are eligible for book-entry settlement with the Depositary, unless otherwise required by law, all Notes shall be represented by one or more Notes in global form (each, a "Global Note") registered in the name of the Depositary or the nominee of the Depositary. The transfer and exchange of beneficial interests in a Global Note, which does not involve the issuance of a definitive Note, shall be effected through the Depositary (but not the Trustee or the Custodian) in accordance with this Second Supplemental Indenture (including the restrictions on transfer set forth herein) and the procedures of the Depositary therefor.

Section 2.07 *Additional Notes; Repurchases.* The Company may, without the consent of the Noteholders and notwithstanding Section 2.01, issue additional Notes hereunder with the same terms and with the same CUSIP number as the Notes initially issued hereunder in an unlimited aggregate principal amount, which will form the same series with the Notes initially issued hereunder, provided that no such additional Notes may be issued unless fungible with the Notes initially issued hereunder for United States federal income tax purposes. The Company may also from time to time repurchase the Notes in open market purchases by tender at any price or by private agreement without prior notice to Noteholders.

Section 2.08 *No Sinking Fund.* The provisions of Article Twelve of the Base Indenture shall not be applicable to the Notes. No sinking fund is provided for the Notes.

Section 2.09 *Ranking.* The Notes constitute a senior general obligation of the Company, ranking equally with other existing and future senior and unsubordinated indebtedness of the Company and ranking senior in right of payment to any future indebtedness of the Company that is expressly made subordinate to the Notes by the terms of such indebtedness.

ARTICLE III

REDEMPTION

Section 3.01 *Right to Redeem.*

(a) Notwithstanding any provision of the Base Indenture, as modified by this Second Supplemental Indenture, to the contrary, the Company may redeem the Notes prior to November 15, 2037, in whole, in order to preserve Parent's status as a real estate investment trust under the Code.

(b) Except as provided in Section 3.01(a), the Company may not redeem the Notes prior to January 15, 2013. On or after January 15, 2013, the Company, at its option, may redeem the Notes from time to time in whole or in part.

(c) Any redemption of Notes shall be at a Redemption Price equal to 100% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest; *provided*, *however*, that the Company may deduct and withhold from such Redemption Price any amount required to be deducted and withheld under applicable law.

Section 3.02 *Selection of Notes to be Redeemed*.

(a) The provisions of Section 1103 of the Base Indenture shall govern the selection of Notes to be redeemed by the Trustee; *provided*, *however*, that if less than all of the Notes are to be redeemed, the Trustee shall make the selection from the Notes of that series Outstanding and not previously called for redemption, by lot, or in its discretion, on a pro rata basis.

(b) If any Note selected for partial redemption is exchanged in part before termination of the exchange right with respect to the portion of the Note so selected, the exchanged portion of such Note shall be deemed to be part of the portion selected for redemption. Notes which have been exchanged subsequent to the Trustee commencing selection of Notes to be redeemed but prior to redemption of such Notes shall be treated by the Trustee as Outstanding for the purpose of such selection.

Section 3.03 *Notice of Redemption.* The provisions of Section 1104 of the Base Indenture shall govern notices of redemption of the Notes; provided, however, that in addition to the information specified in Section 1104 of the Base Indenture, notices of redemption of the Notes shall also state:

(a) the then-current Exchange Price;

(b) the name and address of the Exchange Agent;

(c) that Holders who wish to exchange Notes must surrender such Notes for exchange no later than the close of business on the second Business Day immediately preceding the Redemption Date and must satisfy the other requirements set forth herein; and

(d) whether the Company will satisfy its Exchange Obligation with respect to any Notes called for redemption that are surrendered for exchange in cash, shares of Common Stock or both as provided herein; *provided* that the Company may not provide notice of a redemption of Notes at the Company's option that specifies that the Company will settle exchanges of Notes prior to such redemption in cash and shares of Common Stock unless, at the time of such notice, the Company has available to it a sufficient number of authorized shares of Common Stock to satisfy its Exchange Obligation in respect of the Notes to be redeemed.

ARTICLE IV

PARTICULAR COVENANTS OF THE COMPANY

Section 4.01 *Payment of Principal and Interest.*

(a) Sections 307 and 1001 of the Base Indenture shall apply to the Notes; provided, however, that, with respect to any Noteholder with an aggregate principal amount in excess of $1,000,000, at the application of such Holder in writing to the Security Registrar not later than the relevant record date, accrued and unpaid interest on such Holder's Notes shall be paid by wire transfer in immediately available funds to such Holder's account in the United States supplied by such Holder from time to time to the Trustee and Paying Agent (if different

from Trustee); *provided further* that payment of accrued and unpaid interest made to the Depositary shall be paid by wire transfer in immediately available funds in accordance with such wire transfer instructions and other procedures provided by the Depositary from time to time.

(b) Except as otherwise provided in this Section 4.01(b), a Holder of any Notes at the close of business on a Record Date shall be entitled to receive interest on such Notes on the corresponding Interest Payment Date. A Holder of any Notes as of a Record Date that are exchanged after the close of business on such Record Date and prior to the opening of business on the corresponding Interest Payment Date shall be entitled to receive interest on the principal amount of such Notes, notwithstanding the exchange of such Notes prior to such Interest Payment Date. However, a Holder that surrenders any Notes for exchange between the close of business on a Record Date and the opening of business on the corresponding Interest Payment Date shall be required to pay the Company an amount equal to the interest payable by the Company with respect to such Notes on such Interest Payment Date at the time such Holder surrenders such Notes for exchange, *provided*, *however*, that this sentence shall not apply to a Holder that exchanges Notes:

(i) in respect of which the Company has given notice of redemption pursuant to Section 3.03 on a Redemption Date that is after the relevant Record Date and on or prior to the relevant Interest Payment Date; or

(ii) to the extent of any overdue interest, if any overdue interest exists at the time of exchange with respect to such Notes;

(iii) in connection with a Fundamental Change in which the Company has specified a Fundamental Change Repurchase Date that is after a Record Date and on or prior to the next Interest Payment Date; or

(iv) after the Record Date immediately preceding the Maturity Date.

Accordingly, a Holder that exchanges Notes under any of the circumstances described in clauses (i), (ii), (iii) or (iv) above will not be required to pay to the Company an amount equal to the interest payable by the Company with respect to such Notes on the relevant Interest Payment Date.

Section 4.02 *Maintenance of Office or Agency for Exchange Agent*. If at any time the Exchange Agent is not the Trustee or an office or agency designated or appointed by the Trustee, the Company will give prompt written notice to the Trustee of the location of such Exchange Agent. If at any time the Company shall fail to maintain an office or agency for the Exchange Agent, presentations, surrenders, notices and demands related to exchanges of Notes may be made or served at the Corporate Trust Office or the office or agency of the Trustee in the Borough of Manhattan, the City of New York.

Section 4.03 *Intentionally Omitted.*

Section 4.04 *Intentionally Omitted.*

Section 4.05 *Exclusion of Certain Provisions From Base Indenture.* Section 1004, Section 1006, Section 1007, Section 1011 and Article Fourteen of the Base Indenture shall not apply to the Notes. Section 1002, Section 1003, Section 1005, Section 1008, Section 1009, Section 1010 and Section 1012 of the Base Indenture shall be applicable to the Notes.

ARTICLE V

DEFAULTS AND REMEDIES

Section 5.01 *Events of Default*. The provisions of Section 501(2) and Section 501(3) of the Base Indenture shall not be applicable to the Notes. As contemplated under Section 301 and Section 501(9) of the Base Indenture, the following events, in addition to the events described in clauses (1), (4), (5), (6), (7) and (8) of Section 501 of the Base Indenture, shall be Events of Default with respect to the Notes:

(a) default in the payment of principal or premium, if any, of any Note when due and payable on the Maturity Date, upon redemption, repurchase, declaration or otherwise;

(b) failure by the Company to comply with its obligation to exchange the Notes into cash, shares of Common Stock or a combination of cash and shares of Common Stock, as applicable, upon exercise of a Holder's exchange right, and such failure continues for a period of ten days; or

(c) failure by the Company to issue a Fundamental Change Company Notice in accordance with Section 9.02 when due, and such failure continues for a period of two days.

Section 5.02 *Article Five of Base Indenture*. Except as amended by Section 5.01 hereof, all of the provisions of Article Five of the Base Indenture shall be applicable to the Notes.

ARTICLE VI

SUPPLEMENTAL INDENTURES

Section 6.01 *Supplemental Indentures Without Consent of Noteholders*. The provisions of Section 901 of the Base Indenture shall be applicable to the Notes.

Section 6.02 *Modification and Amendment with Consent of Noteholders.* Section 902 of the Base Indenture shall be applicable to the Notes. As contemplated by Sections 301 and 902 of the Base Indenture, no supplemental indenture shall, without the consent of the Holder of each Outstanding Note affected thereby:

(a) make any change that adversely affects the exchange rights of any Notes;

(b) reduce the Fundamental Change Repurchase Price, Redemption Price or Put Right Repurchase Price of any Note, or amend or modify in any manner adverse to Noteholders the Company's obligation to make such payments or Article III or Article IX of this

Second Supplemental Indenture, whether through an amendment or waiver of provisions in the covenants, definitions or otherwise.

Section 6.03 *Effect of Supplemental Indentures*. Upon the execution of any supplemental indenture under this Article, the Base Indenture and this Second Supplemental Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Second Supplemental Indenture for all purposes; and every Holder of Notes theretofore or thereafter authenticated and delivered hereunder and of any coupon appertaining thereto shall be bound thereby.

Section 6.04 *Article Nine of Base Indenture.* Except as amended by this Article VI, all of the provisions of Article Nine of the Base Indenture shall be applicable to the Notes.

ARTICLE VII

CONSOLIDATION, MERGER, SALE, CONVEYANCE AND LEASE

Section 7.01 *Company May Consolidate, Etc. on Certain Terms.* Article Eight of the Base Indenture shall be applicable to the Notes.

ARTICLE VIII

EXCHANGE OF NOTES

Section 8.01 *Exchange Privilege*.

(a) Subject to the conditions described in clauses (b) through (f) below and to Section 8.11 hereof, and upon compliance with the provisions of this Article VIII, a Holder of Notes shall have the right, at such Holder's option, to exchange all or any portion (if the portion to be exchanged is $1,000 principal amount or an integral multiple thereof) of such Note at any time prior to the close of business on the scheduled Trading Day immediately preceding October 15, 2012 at a rate (the "Exchange Rate") of 5.4874 shares of Common Stock (subject to adjustment by the Company as provided in Section 8.04) per $1,000 principal amount of Notes (the "Exchange Obligation") under the circumstances and during the periods set forth below. On and after October 15, 2012, regardless of the conditions described in clause (b) through (f) below, upon compliance with the provisions of this Article VIII and subject to Section 8.11 hereof, a Noteholder shall have the right, at such holder's option, to exchange all or any portion (if the portion to be exchanged is $1,000 principal amount or an integral multiple thereof) of such Note at any time prior to the close of business on the scheduled Trading Day immediately preceding the Maturity Date at an Exchange Rate of 5.4874 shares of Common Stock (subject to adjustment by the Company as provided in Section 8.04) per $1,000 principal amount of Notes.

(b) (1) A Holder of Notes shall have the right, at such Holder's option, to exchange its Notes prior to October 15, 2012, during the five Business Day period immediately after any ten consecutive Trading Day period (the "Measurement Period") in which the Trading Price per $1,000 principal amount of Notes for each day of such Measurement Period was less than 98% of the product of the Last Reported Sale Price of the Common Stock on such date and the Exchange Rate on such date, all as determined by the Trustee in the manner described in the

immediately succeeding paragraph. The Trustee shall have no obligation to determine the Trading Price of the Notes unless requested by the Company to do so in writing, and the Company shall have no obligation to make such request unless a Noteholder or Noteholders of at least $1,000,000 aggregate principal amount of Notes provides the Company with reasonable evidence that the Trading Price per $1,000 principal amount of the Notes would be less than 98% of the product of the Last Reported Sale Price at such time and the then-applicable Exchange Rate, at which time the Company shall select three independent nationally recognized securities dealers (each, an "Independent Securities Dealer"), request that the Independent Securities Dealers provide a secondary market quotation for the Notes and provide such determination to the Company and the Trustee in writing, and the Company shall instruct the Independent Securities Dealers to provide a secondary market quotation for the Notes beginning on the next Trading Day and on each successive Trading Day until the Trading Price per $1,000 principal amount of the Notes is greater than or equal to 98% of the product of the Last Reported Sale Price on such date and the then-applicable Exchange Rate. If the Trading Price condition set forth above has been met, the Company shall so notify the Noteholders. If at any time after the Trading Price condition set forth above has been met, the Trading Price per $1,000 principal amount of Notes is greater than 98% of the product of the Last Reported Sale Price on such date and the then-applicable Exchange Rate, the Company shall so notify the Noteholders.

(2) Any request by the Company to the Trustee for a determination of the Trading Price and whether the Trading Price condition set forth in the first sentence of the immediately preceding paragraph has been met shall be accompanied by an Officers' Certificate setting forth, for each day of determination (as identified in such Certificate), the name of the Independent Securities Dealers providing the secondary market bid quotations, a statement certifying that that such dealers are "Independent Securities Dealers" as required in this Section 8.01, the secondary market bid quotations obtained from such Independent Securities Dealers (a copy of which will be attached to such Officers' Certificate), the Company's calculation of the Trading Price for such date. The Trustee shall be entitled to conclusively rely, without independent verification, on the quotations provided by the Company in making its determinations hereunder. On the basis of such quotations, the Trustee shall determine the Trading Price of the Notes, and provide such determination to the Company. Absent manifest error, the Trustee's determination of the Trading Price will be binding on the Company. Unless and until a Responsible Officer of the Trustee shall have received a request from the Company for determination of the Trading Price for the Notes and the Officers' Certificate contemplated herein, the Trustee shall have no obligation to make any determination of the Trading Price of the Notes or whether the Trading Price condition has been met.

(c) A Holder of Notes shall have the right, at such Holder's option, to exchange Notes during any calendar quarter after the quarter ended June 30, 2011, and only during such calendar quarter, if the Last Reported Sale Price for the Common Stock for at least 20 Trading Days during the period of 30 consecutive Trading Days ending on the last Trading Day of the previous calendar quarter exceeds 130% of the Exchange Price (the "Exchange Trigger Price") on such last Trading Day, which Exchange Price shall be subject to adjustment in accordance with this Article VIII. The Exchange Agent shall, on the Company's behalf, determine at the beginning of each calendar quarter whether the Notes are exchangeable as a result of the price of the Common Stock as contemplated in the previous sentence and notify the Company and the Trustee.

(d) In the event that the Company has delivered a notice of redemption in accordance with Section 1104 of the Base Indenture and Section 3.03 of this Second Supplemental Indenture to the Holders of Notes, a Holder of Notes may exchange Notes at any time prior to the close of business on the second Business Day immediately preceding the corresponding Redemption Date; *provided*, *however*, that a Holder who has already delivered a Fundamental Change Repurchase Notice with respect to a Note may not exchange such Note until the Holder has withdrawn the Fundamental Change Repurchase Notice in accordance with the terms of the Note and this Second Supplemental Indenture.

(e) (i) In the event that the Company or Parent elects to:

(A) distribute to all or substantially all holders of Common Stock rights entitling them to purchase, for a period expiring within 60 days, shares of Common Stock at a price less than the Last Reported Sale Price of the Common Stock for the Trading Day immediately preceding the declaration date of such distribution; or

(B) distribute to all or substantially all holders of shares of Common Stock assets or debt securities of the Company or Parent or rights to purchase the Company's or Parent's securities, which distribution has a per share value (as determined by the Board of Directors) exceeding 15% of the Last Reported Sale Price of the Common Stock on the day immediately preceding the date of declaration of such distribution,

then, in either case, Holders may surrender the Notes for exchange at any time on and after the date that the Company provides notice to Holders referred to in the next sentence until the earlier of the close of business on the Business Day immediately preceding the Ex-Dividend Date for such distribution or the date the Company announces that such distribution will not take place. The Company shall notify Holders of any distribution referred to in either clause (A) or clause (B) above and of the resulting exchange right no later than the 35th Business Day prior to the Ex-Dividend Date for such distribution.

(ii) If the Company is a party to any transaction or event that constitutes a Fundamental Change, a Holder may surrender Notes for exchange at any time from and after the 30th scheduled Trading Day prior to the anticipated Effective Date of such transaction or event until the related Fundamental Change Repurchase Date and, upon such surrender, the Holder shall be entitled to the increase in the Exchange Rate, if any, specified in Section 8.01(g). The Company shall give notice to all record Noteholders and the Trustee and issue a press release of the Fundamental Change no later than 30 scheduled Trading Days prior to the anticipated Effective Date of the Fundamental Change.

(iii) If Parent is a party to a consolidation, merger, binding share exchange or sale or conveyance of all or substantially all of its properties and assets, in each case pursuant to which the shares of Common Stock would be exchanged into cash, securities and/or other property, then the Holders shall have the right to exchange Notes at any time beginning fifteen calendar days prior to the date announced by the Company as the anticipated effective date of the transaction and until and including the date that is fifteen calendar days after the date that is the effective date of such transaction; *provided* such transaction does not otherwise constitute a

Fundamental Change to which the provisions of Section 8.01(e)(ii) shall apply. The Company shall give notice to all record Noteholders and the Trustee and issue a press release at least 20 calendar days prior to the anticipated effective date of such transaction. If the Board of Directors determines the anticipated effective date of the transaction, such determination shall be conclusive and binding on the Holders.

(f) The Notes shall be exchangeable at any time beginning on the first Business Day after any 30 consecutive Trading Day period during which the Common Stock is not listed on a United States national securities exchange.

(g) (i) If a Noteholder elects to exchange Notes in connection with a Fundamental Change that occurs prior to January 15, 2013, the Exchange Rate applicable to each $1,000 principal amount of Notes so exchanged shall be increased by an additional number of shares of Common Stock (the "Additional Shares") as described below. Settlement of Notes tendered for exchange to which Additional Shares shall be added to the Exchange Rate as provided in this subsection shall be settled pursuant to Section 8.02 below, as applicable. For purposes of this Section 8.01(g), an exchange shall be deemed to be "in connection with" a Fundamental Change to the extent that the related exchange notice is delivered during the time period beginning on the 30th Trading Day prior to the anticipated Effective Date of such Fundamental Change and ending on the related Fundamental Change Repurchase Date, inclusive (regardless of whether the provisions of clauses (b), (c), (d), (e) or (f) of this Section 8.01 shall apply to such exchange). Such exchange notice shall indicate that the Holder of Notes has elected to exchange Notes in connection with a Fundamental Change; *provided*, *however*, that the failure to so indicate shall not in any way affect the Exchange Obligation or the right of such Holder to receive Additional Shares in connection with such exchange.

(ii) The number of Additional Shares by which the Exchange Rate will be increased shall be determined by reference to the table attached as Schedule A hereto, based on the date on which the Fundamental Change occurs or becomes effective (the "Effective Date"), and the Stock Price; provided, that if the Stock Price is between two Stock Price amounts in the table or the Effective Date is between two Effective Dates in the table, the number of Additional Shares shall be determined by a straight-line interpolation between the number of Additional Shares set forth for the next higher and next lower Stock Price amounts and the two nearest Effective Dates, as applicable, based on a 365-day year; *provided further* that if (1) the Stock Price is greater than $268.82 per share of Common Stock (subject to adjustment in the same manner as set forth in Section 8.04), no Additional Shares will be added to the Exchange Rate, and (2) the Stock Price is less than $142.97 per share of Common Stock (subject to adjustment in the same manner as set forth in Section 8.04), no Additional Shares will be added to the Exchange Rate. Notwithstanding the foregoing, in no event will the total number of shares of Common Stock issuable upon exchange exceed 6.5762 per $1,000 principal amount of Notes (subject to adjustment in the same manner as set forth in clauses (a), (b) and (c) of Section 8.04).

(iii) The Stock Prices set forth in the first row of the table in Schedule A hereto shall be adjusted as of any date on which the Exchange Rate of the Notes is adjusted. The adjusted Stock Prices shall equal the Stock Prices applicable immediately

prior to such adjustment, multiplied by a fraction, the numerator of which is the Exchange Rate in effect immediately prior to the adjustment giving rise to the Stock Price adjustment and the denominator of which is the Exchange Rate as so adjusted. The number of Additional Shares within the table shall be adjusted in the same manner as the Exchange Rate as set forth in Section 8.04 (other than by operation of an adjustment to the Exchange Rate by adding Additional Shares).

Section 8.02 *Exchange Procedures*.

(a) (1) The Company shall settle its Exchange Obligations as described in Section 8.02(a)(3), unless, within the applicable time period specified in this Section 8.02(a)(1), the Company elects to settle its Exchange Obligations as described in Section 8.02(a)(2) or Section 8.02(a)(4). The cash and/or shares of Common Stock which the Company is required to deliver in accordance with this Section 8.02 in settlement of its Exchange Obligations is referred to herein as the "Settlement Amount." If the Company desires to settle its Exchange Obligations as described in Section 8.02(a)(2) or Section 8.02(a)(4), the Company shall notify each exchanging Noteholder by notice to the Trustee (for further distribution to Noteholders) of the method the Company will choose to satisfy its Exchange Obligations no later than the second Trading Day immediately following the Company's receipt of a Notice of Exchange from such Holder, and such notice shall specify the section of this Second Supplemental Indenture pursuant to which the Company is electing to satisfy its exchange obligations; provided, however, that the Company shall have the right to irrevocably elect, in its sole discretion and without the consent of Noteholders, by notice to the Trustee (for further distribution to Noteholders), on or prior to October 15, 2012, to settle all of its future Exchange Obligations entirely in shares of Common Stock as described in Section 8.02(a)(2), and provided further, that the Company is required to settle all exchanges with an Exchange Date occurring on or after October 15, 2012 in the same manner, and the Company shall notify Noteholders by notice to the Trustee (for further distribution to Noteholders) of the manner of settlement (including specifying the applicable section of this Second Supplemental Indenture that describes such manner of settlement) on or before such date. The Company shall treat all Noteholders exchanging on the same Trading Day in the same manner; however, the Company shall not have any obligation to settle its Exchange Obligations arising on different Trading Days in the same manner, except for exchanges with an Exchange Date occurring on or after October 15, 2012, which shall all be satisfied in the same manner.

(2) If the Company has elected, within the applicable time periods specified in Section 8.02(a)(1), to settle its Exchange Obligations as described in this Section 8.02(a)(2), the Company shall have the right to settle its Exchange Obligations entirely in shares of Common Stock. If the Company elects to satisfy its Exchange Obligation entirely in shares of Common Stock, the Company shall deliver a number of shares of Common Stock equal to (i) the aggregate principal amount of Notes to be exchanged divided by $1,000, multiplied by (ii) the applicable Exchange Rate (which shall include any increases to reflect any Additional Shares that such Holder is entitled to receive pursuant to Section 8.01(g) above). The Company shall deliver such shares of Common Stock as soon as practicable after it has notified the exchanging Holder, pursuant to Section 8.02(a)(1) above, that it has elected to satisfy its Exchange Obligation entirely in shares of Common Stock.

(3) If the Company does not elect, within the applicable time periods specified in Section 8.02(a)(1), to settle its Exchange Obligations as described in Section 8.02(a)(2) or 8.02(a)(4), the Company shall settle its Exchange Obligations as described in this Section 8.02(a)(3), subject to Section 8.02(b) hereof. The Company shall deliver in respect of each $1,000 principal amount of Notes being exchanged a Settlement Amount equal to the sum of the Daily Settlement Amounts for each of the 20 consecutive Trading Days during the Observation Period, on the third Trading Day immediately following the last day of the related Observation Period; provided that the Company will deliver cash in lieu of fractional shares of Common Stock as set forth pursuant to clause (k) below. The Daily Settlement Amounts shall be determined by the Company promptly following the last day of the Observation Period.

(4) If the Company has elected, within the applicable time periods specified in Section 8.02(a)(1), to settle its Exchange Obligations as described in this Section 8.02(a)(4), the Company shall have the right to settle all or a portion of the amount by which the Daily Exchange Value exceeds $50 in cash in accordance with this Section 8.02(a)(4). In such case, the Company shall specify a percentage of the amount by which the Daily Exchange Value exceeds $50 that will be settled in cash, or the "cash percentage." The Company will inform exchanging Holders by notice to the Trustee (for further distribution to Noteholders) no later than two Trading Days prior to the first day of the applicable Observation Period if it elects to pay cash upon exchange of the Notes and shall specify in such notice (the "cash percentage notice") the applicable cash percentage. If the Company elects to specify a cash percentage, the amount of cash that the Company shall deliver in respect of each Trading Day in the applicable Observation Period shall equal the product of (w) the cash percentage and (x) the amount by which the Daily Exchange Value exceeds $50 for such Trading Day. The number of shares of Common Stock deliverable in respect of each Trading Day in the applicable Observation Period shall equal (i) the product of (y) 100% minus the cash percentage and (z) the amount by which the Daily Exchange Value exceeds $50 for such Trading Day, divided by (ii) the Daily VWAP of the Common Stock for such Trading Day. If the Company does not specify a cash percentage, it must settle the entire amount by which the Daily Exchange Value exceeds $50 with shares of Common Stock pursuant to Section 8.02(a)(3) above; provided, however, that the Company will deliver cash in lieu of fractional shares of Common Stock as set forth pursuant to clause (k) below. If the Company specifies a cash percentage, the Company shall satisfy its Exchange Obligation by delivering, on the third Trading Day immediately following the last day of the related Observation Period, the amount of cash and the number of shares of Common Stock deliverable pursuant to this Section 8.02(a)(4).

(b) Notwithstanding Section 8.02(a), the Company shall satisfy the Exchange Obligation with respect to each $1,000 principal amount of Notes tendered for exchange to which Additional Shares shall be added to the Exchange Rate as set forth in Section 8.01(g) pursuant to this clause (b).

(A) If the last day of the applicable Observation Period related to Notes surrendered for exchange is prior to the third Trading Day preceding the Effective Date of the Fundamental Change, the Company will satisfy the related Exchange Obligation with respect to each $1,000 principal amount of Notes tendered for exchange as described in Section 8.01(a) by delivering the amount of cash and shares of Common Stock, if any (based on the Exchange Rate, but without regard to the number of Additional Shares to

be added to the Exchange Rate pursuant to Section 8.01(g)) on the third Trading Day immediately following the last day of the applicable Observation Period. In addition, as soon as practicable following the Effective Date of the Fundamental Change, the Company will deliver the increase in such amount of cash and Reference Property deliverable in lieu of shares of Common Stock, if any, as if the Exchange Rate had been increased by such number of Additional Shares during the related Observation Period (and based upon the related Daily VWAP prices during such Observation Period). If such increased amount of cash and Common Stock, if any, results in an increase to the amount of cash to be paid to Holders, the Company will pay such increase in cash, and if such increased amount results in an increase to the number of shares of Common Stock, the Company will deliver such increase by delivering Reference Property based on such increased number of shares.

(B) If the last day of the applicable Observation Period related to Notes surrendered for exchange is on or following the third scheduled Trading Day preceding the Effective Date of such Fundamental Change, the Company will satisfy the Exchange Obligation with respect to each $1,000 principal amount of Notes tendered for exchange as described in Section 8.01(a) (based on the Exchange Rate as increased by the Additional Shares pursuant to Section 8.01(g) above) on the later to occur of (x) the Effective Date of the Fundamental Change and (y) the third Trading Day immediately following the last day of the applicable Observation Period.

(c) Before any Holder of a Note shall be entitled to exchange the same as set forth above, such Holder shall (1) in the case of a Global Note, comply with the procedures of the Depositary in effect at that time and, if required, pay funds equal to interest payable on the next Interest Payment Date to which such Holder is not entitled as set forth in Section 4.01(b) and Section 8.02(i) and, if required, pay all taxes or duties, if any, and (2) in the case of a Note issued in certificated form, (A) complete and manually sign and deliver an irrevocable written notice to the Exchange Agent in the form on the reverse of such certificated Note (or a facsimile thereof) (a "Notice of Exchange") at the office of the Exchange Agent and shall state in writing therein the principal amount of Notes to be exchanged and the name or names (with addresses) in which such Holder wishes the certificate or certificates for any shares of Common Stock, if any, to be delivered upon settlement of the Exchange Obligation to be registered, (B) surrender such Notes, duly endorsed to the Company or in blank (and accompanied by appropriate endorsement and transfer documents), at the office of the Exchange Agent, (C) if required, pay funds equal to interest payable on the next Interest Payment Date to which such Holder is not entitled as set forth in Section 4.01(b) and Section 8.02(i), and (D) if required, pay all taxes or duties, if any. A Note shall be deemed to have been exchanged immediately prior to the close of business on the date (the "Exchange Date") that the Holder has complied with the requirements set forth in this Section 8.02(c).

No Notice of Exchange with respect to any Notes may be tendered by a Holder thereof if such Holder has also tendered a Put Right Repurchase Notice or a Fundamental Change Repurchase Notice and not validly withdrawn such Put Right Repurchase Notice or Fundamental Change Repurchase Notice in accordance with the applicable provisions of Section 9.01 or 9.02, as the case may be.

If more than one Note shall be surrendered for exchange at one time by the same Holder, the Exchange Obligation with respect to such Notes, if any, that shall be payable upon exchange shall be computed on the basis of the aggregate principal amount of the Notes (or specified portions thereof to the extent permitted thereby) so surrendered.

(d) Delivery of the amounts owing in satisfaction of the Exchange Obligation shall be made by the Company in no event later than the date specified in Section 8.02(a), except to the extent specified in Section 8.02(b). The Company shall make such delivery by paying the cash amount owed to the Exchange Agent or to the Holder of the Note surrendered for exchange, or such Holder's nominee or nominees, and by issuing, or causing to be issued, and delivering to the Exchange Agent or to such Holder, or such Holder's nominee or nominees, certificates or a book-entry transfer through the Depositary for the number of full shares of Common Stock to which such Holder shall be entitled as part of such Exchange Obligation (together with any cash in lieu of fractional shares).

(e) In case any Note shall be surrendered for partial exchange, the Company shall execute and the Trustee shall authenticate and deliver to or upon the written order of the Holder of the Note so surrendered, without charge to such Holder, a new Note or Notes in authorized denominations in an aggregate principal amount equal to the unexchanged portion of the surrendered Notes.

(f) If a Holder submits a Note for exchange, the Company shall pay all stamp and other duties, if any, which may be imposed by the United States or any political subdivision thereof or taxing authority thereof or therein with respect to the issuance of shares of Common Stock, if any, upon the exchange. However, the Holder shall pay any such tax that is due because the Holder requests any shares of Common Stock to be issued in a name other than the Holder's name. The Exchange Agent may refuse to deliver the certificates representing the shares of Common Stock being issued in a name other than the Holder's name until the Trustee receives a sum sufficient to pay any tax which will be due because the shares are to be issued in a name other than the Holder's name. Nothing herein shall preclude any tax withholding required by law or regulations.

(g) Except as provided in Section 8.04, no adjustment shall be made for dividends on any shares issued upon the exchange of any Note as provided in this Article.

(h) Upon the exchange of an interest in a Global Note, the Trustee, or the Custodian at the direction of the Trustee, shall make a notation on such Global Note as to the reduction in the principal amount represented thereby. The Company shall notify the Trustee in writing of any exchange of Notes effected through any Exchange Agent other than the Trustee.

(i) Upon exchange, a Noteholder will not receive any separate cash payment for accrued and unpaid interest, except as set forth below. The Company's settlement of its Exchange Obligation as described above shall be deemed to satisfy its obligation to pay the principal amount of the Note and accrued and unpaid interest to, but not including, the Exchange Date. As a result, accrued and unpaid interest to, but not including, the Exchange Date shall be deemed to be paid in full rather than cancelled, extinguished or forfeited. Notwithstanding the preceding sentence, if Notes are exchanged after the close of business on a Record Date, Holders

of such Notes as of the close of business on the Record Date will receive the interest payable on such Notes on the corresponding Interest Payment Date notwithstanding the exchange. Notes surrendered for exchange during the period from the close of business on any regular Record Date to the opening of business on the corresponding Interest Payment Date must be accompanied by payment of an amount equal to the interest payable on the Notes so exchanged; *provided*, *however*, that no such payment need be made (1) if the Company has called the Notes for redemption or (2) to the extent of any overdue interest existing at the time of exchange with respect to such Note, (3) to Notes surrendered for exchange in connection with a Fundamental Change in which the Company has specified a Fundamental Change Repurchase Date that is after a Record Date and on or prior to the next Interest Payment Date, or (4) to Notes surrendered for exchange after the Record Date immediately preceding the Maturity Date. Except as described above, no payment or adjustment will be made for accrued interest on exchanged Notes.

(j) The Person in whose name the certificate for any shares of Common Stock issued upon exchange is registered shall be treated as a stockholder of record on and after the Exchange Date; *provided*, *however*, that no surrender of Notes on any date when the stock transfer books of the Company shall be closed shall be effective to constitute the Person or Persons entitled to receive the shares of Common Stock upon such exchange as the record holder or holders of such shares of Common Stock on such date, but such surrender shall be effective to constitute the Person or Persons entitled to receive such shares of Common Stock as the record holder or holders thereof for all purposes at the close of business on the next succeeding day on which such stock transfer books are open; such exchange shall be at the Exchange Rate in effect on the date that such Notes shall have been surrendered for exchange, as if the stock transfer books of the Company had not been closed. Upon exchange of Notes, such Person shall no longer be a Noteholder.

(k) No fractional shares of Common Stock shall be issued upon exchange of any Note or Notes. If more than one Note shall be surrendered for exchange at one time by the same Holder, the number of full shares that shall be issued upon exchange thereof shall be computed on the basis of the aggregate principal amount of the Notes (or specified portions thereof) so surrendered. Instead of any fractional share of Common Stock that would otherwise be issued upon exchange of any Note or Notes (or specified portions thereof), the Company shall pay a cash adjustment in respect of such fraction (calculated to the nearest one-100th of a share) in an amount equal to the same fraction of the Last Reported Sale Price of the Common Stock on the last day of the applicable Observation Period.

(l) *Reserved.*

Section 8.03 *Reserved*.

Section 8.04 *Adjustment of Exchange Rate*. The Exchange Rate shall be adjusted from time to time by the Company as follows:

(a) In case Parent shall issue Common Stock as a dividend or distribution to holders of the outstanding Common Stock, or shall effect a subdivision into a greater number of

shares of Common Stock or combination into a lesser number of shares of Common Stock, the Exchange Rate shall be adjusted based on the following formula:

$$ER' = ER_0 \times \frac{OS'}{OS_0}$$

where

ER_0 = the Exchange Rate in effect immediately prior to such event;

ER' = the Exchange Rate in effect immediately after such event;

OS_0 = the number of shares of Common Stock outstanding immediately prior to such event; and

OS' = the number of shares of Common Stock outstanding immediately after such event.

Such adjustment shall become effective immediately after 9:00 a.m., New York City time, on the Business Day following the record date fixed for such determination. If any dividend or distribution of the type described in this Section 8.04(a) is declared but not so paid or made, or the outstanding shares of Common Stock are not subdivided or combined, as the case may be, the Exchange Rate shall be immediately readjusted, effective as of the date the Board of Directors determines not to pay such dividend or distribution, or subdivide or combine the outstanding shares of Common Stock, as the case may be, to the Exchange Rate that would then be in effect if such dividend, distribution, subdivision or combination had not been declared.

(b) In case Parent shall issue to all or substantially all holders of its outstanding Common Stock any rights, warrants or convertible securities entitling them (for a period expiring within sixty (60) calendar days after the issuance thereof) to subscribe for or purchase shares of Common Stock at a price per share less than the Last Reported Sale Price of the Common Stock on the Business Day immediately preceding the date of announcement of such issuance, the Exchange Rate shall be adjusted based on the following formula:

$$ER' = ER_0 \times \frac{OS_0 + X}{OS_0 + Y}$$

where

ER_0 = the Exchange Rate in effect immediately prior to such event;

ER' = the Exchange Rate in effect immediately after such event;

OS_0 = the number of shares of Common Stock outstanding immediately prior to such event;

X = the total number of shares of Common Stock issuable pursuant to such rights, warrants or convertible securities; and

Y = the number of shares of Common Stock equal to the aggregate price payable to exercise such rights, warrants or convertible securities divided by the average of the Last Reported Sale Prices per share of Common Stock over the ten consecutive Trading Day period ending on the Business Day immediately preceding the record date (or, if later, the Ex-Date relating to such distribution) for the issuance of such rights, warrants or convertible securities.

Such adjustment shall be successively made whenever any such rights, warrants or convertible securities are issued and shall become effective immediately after 9:00 a.m., New York City time, on the Business Day following the date fixed for such determination. If such rights, warrants or convertible securities are not so exercised prior to their expiration, the Exchange Rate shall again be adjusted to be the Exchange Rate that would then be in effect if such record date for such distribution had not been fixed.

In determining whether any rights, warrants or convertible securities entitle the holder thereof to subscribe for or purchase shares of Common Stock at a price per share less than the Last Reported Sale Price of the Common Stock on the Business Day immediately preceding the date of announcement of such issuance, and in determining the aggregate offering price of such shares of Common Stock, there shall be taken into account any consideration received by Parent for such rights, warrants or convertible securities and any amount payable on exercise or conversion thereof, the value of such consideration, if other than cash, to be determined by the Board of Directors.

(c) In case Parent shall distribute to all or substantially all holders of its Common Stock shares of Capital Stock, evidences of its indebtedness or other assets or property of Parent (including securities, but excluding dividends and distributions covered by Section 8.04(a), Section 8.04(b) or Section 8.04(d) and distributions described below in this paragraph (c) with respect to Spin-Offs) (any of such shares of Capital Stock, indebtedness, or other asset or property hereinafter in this Section 8.04(c) called the "Distributed Property"), then, in each such case the Exchange Rate shall be adjusted based on the following formula:

$$ER' = ER_0 \times \frac{SP_0}{SP_0 - FMV}$$

where

ER_0 = the Exchange Rate in effect immediately prior to such distribution;

ER' = the Exchange Rate in effect immediately after such distribution;

SP_0 = the average of the Last Reported Sale Prices of the Common Stock over the ten consecutive Trading Day period ending on the Business Day immediately preceding the record date for such distribution (or, if earlier, the Ex-Date relating to such distribution); and

FMV = the fair market value (as determined by the Board of Directors) of the Distributed Property distributed with respect to each outstanding share of Common Stock on

the record date for such distribution (or, if earlier, the Ex-Date relating to such distribution).

Such adjustment shall become effective immediately prior to 9:00 a.m., New York City time, on the Business Day following the date fixed for the determination of stockholders entitled to receive such distribution; *provided* that if the then fair market value (as so determined) of the portion of the Distributed Property so distributed applicable to one share of Common Stock is equal to or greater than SP_0 as set forth above, in lieu of the foregoing adjustment, adequate provision shall be made so that each Noteholder shall have the right to receive, for each $1,000 principal amount of Notes upon exchange, the amount of Distributed Property such Holder would have received had such Holder owned a number of shares of Common Stock equal to the Exchange Rate on the record date. If such dividend or distribution is not so paid or made, the Exchange Rate shall again be adjusted to be the Exchange Rate that would then be in effect if such dividend or distribution had not been declared. If the Board of Directors determines the fair market value of any distribution for purposes of this Section 8.04(c) by reference to the actual or when issued trading market for any securities, it must in doing so consider the prices in such market over the same period used in determining SP_0 above.

With respect to an adjustment pursuant to this Section 8.04(c) where there has been a payment of a dividend or other distribution on the Common Stock in shares of Capital Stock, or similar equity interest, of or relating to a Subsidiary or other business unit (a "Spin-Off"), unless the Company or Parent distributes such shares of Capital Stock or equity interests to each Noteholder on the same basis as such Noteholder would have received had it exchanged its Notes solely into shares of Common Stock immediately prior to such dividend or distribution, the Exchange Rate in effect immediately before 5:00 p.m., New York City time, on the Record Date fixed for determination of stockholders entitled to receive the distribution will be increased based on the following formula:

$$ER' = ER_0 \times \frac{FMV_0 + MP_0}{MP_0}$$

where

ER_0 = the Exchange Rate in effect immediately prior to such distribution;

ER' = the Exchange Rate in effect immediately after such distribution;

FMV_0 = the average of the Last Reported Sale Prices of the Capital Stock or similar equity interest distributed to holders of shares of Common Stock applicable to one share of Common Stock over the first ten consecutive Trading Day period after the effective date of the Spin-Off; and

MP_0 = the average of the Last Reported Sale Prices of the Common Stock over the first ten consecutive Trading Day period after the effective date of the Spin-Off.

Such adjustment shall occur on the tenth Trading Day from, and including, the effective date of the Spin-Off;*provided* that in respect of any exchange within the ten Trading Days following any Spin-Off, references within this paragraph (c) to ten days shall be deemed replaced with such

lesser number of Trading Days as have elapsed between such Spin-Off and the Exchange Date in determining the applicable Exchange Rate.

Rights or warrants distributed by Parent to all holders of Common Stock, entitling the holders thereof to subscribe for or purchase shares of Common Stock (either initially or under certain circumstances), which rights or warrants, until the occurrence of a specified event or events ("Trigger Event"): (i) are deemed to be transferred with such shares of Common Stock; (ii) are not exercisable and (iii) are also issued in respect of future issuances of shares of Common Stock, shall be deemed not to have been distributed for purposes of this Section 8.04 (and no adjustment to the Exchange Rate under this Section 8.04 will be required) until the occurrence of the earliest Trigger Event, whereupon such rights and warrants shall be deemed to have been distributed and an appropriate adjustment (if any is required) to the Exchange Rate shall be made under this Section 8.04(c). If any such right or warrant, including any such existing rights or warrants distributed prior to the date of this Second Supplemental Indenture, are subject to events, upon the occurrence of which such rights or warrants become exercisable to purchase different securities, evidences of indebtedness or other assets, then the date of the occurrence of any and each such event shall be deemed to be the date of distribution and record date with respect to new rights or warrants with such rights (and a termination or expiration of the existing rights or warrants without exercise by any of the holders thereof). In addition, in the event of any distribution (or deemed distribution) of rights or warrants, or any Trigger Event or other event (of the type described in the preceding sentence) with respect thereto that was counted for purposes of calculating a distribution amount for which an adjustment to the Exchange Rate under this Section 8.04 was made, (1) in the case of any such rights or warrants that shall all have been redeemed or repurchased without exercise by any holders thereof, the Exchange Rate shall be readjusted upon such final redemption or repurchase to give effect to such distribution or Trigger Event, as the case may be, as though it were a cash distribution, equal to the per share redemption or repurchase price received by a holder or holders of Common Stock with respect to such rights or warrants (assuming such holder had retained such rights or warrants), made to all holders of Common Stock as of the date of such redemption or repurchase, and (2) in the case of such rights or warrants that shall have expired or been terminated without exercise by any holders thereof, the Exchange Rate shall be readjusted as if such rights and warrants had not been issued.

For purposes of this Section 8.04(c), Section 8.04(a) and Section 8.04(b), any dividend or distribution to which this Section 8.04(c) is applicable that also includes shares of Common Stock to which Section 8.04(a) applies or rights or warrants to subscribe for or purchase shares of Common Stock to which Section 8.04(a) or Section 8.04(b) applies (or both), shall be deemed instead to be (1) a dividend or distribution of the evidences of indebtedness, assets or shares of Capital Stock other than such shares of Common Stock or rights or warrants to which Section 8.04(c) applies (and any Exchange Rate adjustment required by this Section 8.04(c) with respect to such dividend or distribution shall then be made) immediately followed by (2) a dividend or distribution of such shares of Common Stock or such rights or warrants (and any further Exchange Rate adjustment required by Section 8.04(a) and Section 8.04(b) with respect to such dividend or distribution shall then be made), except (A) the record date of such dividend or distribution shall be substituted as "the record date" and "the date fixed for such determination" within the meaning of Section 8.04(a) and Section 8.04(b) and (B) any shares of Common Stock

included in such dividend or distribution shall not be deemed "outstanding immediately prior to such event" within the meaning of Section 8.04(a).

(d) In case Parent shall pay a dividend or make a distribution consisting exclusively of cash to all or substantially all holders of its Common Stock to the extent that the aggregate of all such cash dividends or distributions paid in any quarter exceeds the Dividend Threshold Amount for such quarter, the Exchange Rate shall be adjusted based on the following formula:

$$ER' = ER_0 \times \frac{SP_0 - T}{SP_0 - C}$$

where

ER_0 = the Exchange Rate in effect immediately prior to the record date for such distribution;

ER' = the Exchange Rate in effect immediately after the record date for such distribution;

SP_0 = the average of the Last Reported Sale Prices of the Common Stock over the period of ten consecutive Trading Days ending the Business Day immediately preceding the record date (as defined in clause (f) of this Section) for such distribution (or, if earlier, the Ex-Date relating to such distribution);

T = the dividend threshold amount ("Dividend Threshold Amount"), which amount shall initially be $1.0305 per quarter and which shall be appropriately adjusted from time to time for any stock dividends on, or subdivisions or combinations of, Common Stock; *provided*, that if an Exchange Rate adjustment is required to be made as a result of a distribution that is not a quarterly dividend either in whole or in part, the Dividend Threshold Amount shall be deemed to be zero; and

C = the amount in cash per share that Parent distributes to holders of Common Stock.

Such adjustment shall become effective immediately after 5:00 p.m., New York City time, on the record date for such dividend or distribution*provided* that if the portion of the cash so distributed applicable to one share of Common Stock is equal to or greater than SP_0 above, in lieu of the foregoing adjustment, adequate provision shall be made so that each Noteholder shall have the right to receive upon exchange of a Note (or any portion thereof) the amount of cash such Holder would have received had such Holder owned a number of shares equal to the Exchange Rate on the record date. If such dividend or distribution is not so paid or made, the Exchange Rate shall again be adjusted to be the Exchange Rate that would then be in effect if such dividend or distribution had not been declared.

For the avoidance of doubt, for purposes of this Section 8.04(d), in the event of any reclassification of the Common Stock, as a result of which the Notes become exchangeable into more than one class of Common Stock, if an adjustment to the Exchange Rate is required pursuant to this Section 8.04(d), references in this Section to one share of Common Stock or Last

Reported Sale Price of one share of Common Stock shall be deemed to refer to a unit or to the price of a unit consisting of the number of shares of each class of Common Stock into which the Notes are then exchangeable equal to the number of shares of such class issued in respect of one share of Common Stock in such reclassification. The above provisions of this paragraph shall similarly apply to successive reclassifications.

(e) In case Parent or any of its Subsidiaries makes a payment in respect of a tender offer or exchange offer for all or any portion of the shares of Common Stock, to the extent that the cash and value of any other consideration included in the payment per share of Common Stock exceeds the Last Reported Sale Price of the Common Stock on the Trading Day next succeeding the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer (as it may be amended), the Exchange Rate shall be increased based on the following formula:

$$ER' = ER_0 \times \frac{AC + (SP' \times OS')}{SP' \times OS_0}$$

where

ER_0 = the Exchange Rate in effect on the date such tender or exchange offer expires;

ER' = the Exchange Rate in effect on the day next succeeding the date such tender or exchange offer expires;

AC = the aggregate value of all cash and any other consideration (as determined by the Board of Directors) paid or payable for shares purchased in such tender or exchange offer;

OS_0 = the number of shares of Common Stock outstanding immediately prior to the date such tender or exchange offer expires;

OS' = the number of shares of Common Stock outstanding immediately after the date such tender or exchange offer expires; and

SP' = the average of the Last Reported Sale Prices of the Common Stock over the ten consecutive Trading Day period commencing on the Trading Day next succeeding the date such tender or exchange offer expires,

such adjustment to become effective immediately prior to the opening of business on the day following the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer. If Parent is obligated to purchase shares pursuant to any such tender or exchange offer, but Parent is permanently prevented by applicable law from effecting all or any such purchases or all or any portion of such purchases are rescinded, the Exchange Rate shall again be adjusted to be the Exchange Rate that would then be in effect if such tender or exchange offer had not been made or had only been made in respect of the purchases that had been effected. No adjustment to the Exchange Rate will be made if the application of the foregoing formulae would result in a decrease in the Exchange Rate.

(f) For purposes of this Section 8.04 the term "record date" shall mean, with respect to any dividend, distribution or other transaction or event in which the holders of Common Stock have the right to receive any cash, securities or other property or in which the shares of Common Stock (or other applicable securities) are exchanged for or converted into any combination of cash, securities or other property, the date fixed for determination of stockholders entitled to receive such cash, securities or other property (whether such date is fixed by the Board of Directors or by statute, contract or otherwise).

(g) In addition to those required by clauses (a), (b), (c), (d), and (e) of this Section 8.04, and to the extent permitted by applicable law and subject to the applicable rules of the New York Stock Exchange, the Company from time to time may increase the Exchange Rate by any amount for a period of at least 20 days if the Board of Directors determines that such increase would be in the Company's best interest. In addition, the Company may also (but is not required to) increase the Exchange Rate to avoid or diminish any income tax to holders of Common Stock or rights to purchase shares of Common Stock in connection with any dividend or distribution of shares (or rights to acquire shares) or similar event. Whenever the Exchange Rate is increased pursuant to the preceding sentence, the Company shall mail to the Holder of each Note at his last address appearing on the Security Register a notice of the increase at least five days prior to the date the increased Exchange Rate takes effect, and such notice shall state the increased Exchange Rate and the period during which it will be in effect.

(h) All calculations and other determinations under this Article VIII shall be made by the Company and shall be made to the nearest cent or to the nearest one-ten thousandth (1/10,000) of a share of stock, as the case may be. No adjustment shall be made for Parent's issuance of shares of Common Stock or any securities convertible into or exchangeable for shares of Common Stock, or the right to purchase shares of Common Stock or such convertible or exchangeable securities, other than as provided in this Section 8.04. No adjustment shall be made to the Exchange Rate unless such adjustment would require a change of at least 1% in the Exchange Rate then in effect at such time. The Company shall carry forward any adjustments that are less than 1% of the Exchange Rate and make such carried forward adjustments, regardless of whether the aggregate adjustment is less than 1% within one year of the first such adjustment carried forward, upon a Fundamental Change, upon any call of the Notes for redemption or upon maturity.

(i) Whenever the Exchange Rate is adjusted as herein provided, the Company shall promptly file with the Trustee and any Exchange Agent other than the Trustee an Officers' Certificate setting forth the Exchange Rate after such adjustment and setting forth a brief statement of the facts requiring such adjustment. The Trustee and Exchange Agent may conclusively rely on the accuracy of the Exchange Rate adjustment provided by the Company. Unless and until a Responsible Officer of the Trustee shall have received such Officers' Certificate, the Trustee shall not be deemed to have knowledge of any adjustment of the Exchange Rate and may assume without inquiry that the last Exchange Rate of which it has knowledge is still in effect. Promptly after delivery of such certificate, the Company shall prepare a notice of such adjustment of the Exchange Rate setting forth the adjusted Exchange Rate and the date on which each adjustment becomes effective and shall mail such notice of such adjustment of the Exchange Rate to the Holder of each Note at his last address appearing on the

Security Register, within thirty (30) days of the effective date of such adjustment. Failure to deliver such notice shall not affect the legality or validity of any such adjustment.

(j) For purposes of this Section 8.04, the number of shares of Common Stock at any time outstanding shall not include shares held in the treasury of Parent but shall include shares issuable in respect of scrip certificates issued in lieu of fractions of shares of Common Stock.

Notwithstanding the foregoing provisions of this Section 8.04, in no event will the total number of shares of Common Stock issuable upon exchange exceed 6.5762 per $1,000 principal amount of Notes (subject to adjustment in the same manner or as set forth in clauses (a), (b) and (c) of this Section 8.04).

Section 8.05 *Sufficient Shares to be Delivered.* To the extent the Company elects to deliver shares of Common Stock, the Company shall provide, free from preemptive rights, sufficient shares of Common Stock to provide for exchange of the Notes from time to time as such Notes are presented for exchange.

Section 8.06 *Effect of Reclassification, Consolidation, Merger or Sale*. If any of the following events occur, namely (i) any reclassification or change of the outstanding Common Stock (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a split, subdivision or combination), (ii) any consolidation, merger or combination of Parent with another Person, or (iii) any sale or conveyance of all or substantially all of the property and assets of Parent to any other Person, in either case as a result of which holders of Common Stock shall be entitled to receive cash, securities or other property or assets with respect to or in exchange for such shares of Common Stock (any such event a "Merger Event"), then:

(a) the Company and Parent or the successor or purchasing Person, as the case may be, shall execute with the Trustee a supplemental indenture (which, as evidenced in an Opinion of Counsel delivered to the Trustee, shall comply with the Trust Indenture Act as in force at the date of execution of such supplemental indenture if such supplemental indenture is then required to so comply) providing for the exchange and settlement of the Notes as set forth in this Second Supplemental Indenture. Such supplemental indenture shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Article and the Trustee may conclusively rely on the determination by the Company of the equivalency of such adjustments. If, in the case of any Merger Event, the Reference Property includes shares of stock or other securities and assets of a corporation other than the successor or purchasing corporation, as the case may be, in such reclassification, change, consolidation, merger, combination, sale or conveyance, then such supplemental indenture shall also be executed by such other corporation and shall contain such additional provisions to protect the interests of the Holders of the Notes as the Board of Directors shall reasonably consider necessary by reason of the foregoing, including to the extent required by the Board of Directors and practicable the provisions providing for the repurchase rights set forth in Article IX herein.

In the event the Company shall execute a supplemental indenture pursuant to this Section 8.06, the Company shall, in addition to the Officers' Certificate and Opinion of Counsel required

by Section 102 of the Base Indenture, file with the Trustee an Officers' Certificate briefly stating the kind or amount of cash, securities or property or asset that will constitute the Reference Property after any such Merger Event, any adjustment to be made with respect thereto, and the Trustee shall promptly mail notice thereof to all Noteholders.

(b) Notwithstanding the provisions of Section 8.02(a) and Section 8.02(b), and subject to the provisions of Section 8.01, at the effective time of such Merger Event, the right to exchange each $1,000 principal amount of Notes will be changed to a right to exchange such Note by reference to the kind and amount of cash, securities or other property or assets that a holder of a number of shares of Common Stock equal to the Exchange Rate immediately prior to such transaction would have owned or been entitled to receive (the "Reference Property") such that from and after the effective time of such transaction, a Noteholder will be entitled thereafter to exchange its Notes, subject to the successor's right to deliver cash, common shares or shares of Common Stock of such successor or a combination of cash and shares of Common Stock as set forth in Section 8.02(b), into cash (up to the aggregate principal amount thereof) and, in lieu of the shares of Common Stock otherwise deliverable, the same type (and in the same proportion) of Reference Property, based on the Daily Settlement Amounts of Reference Property in an amount equal to the applicable Exchange Rate, as described under Section 8.02(b). For purposes of determining the constitution of Reference Property, the type and amount of consideration that a holder of shares of Common Stock would have been entitled to in the case of reclassifications, consolidations, mergers, sales or conveyance of assets or other transactions that cause the Common Stock to be converted into the right to receive more than a single type of consideration (determined based in part upon any form of stockholder election) will be deemed to be the weighted average of the types and amounts of consideration received by the holders of shares of Common Stock that affirmatively make such an election. Parent shall not become a party to any such transaction unless its terms are consistent with the preceding. None of the foregoing provisions shall affect the right of a Holder of Notes to exchange its Notes in accordance with the provisions of Article VIII hereof prior to the effective date.

(c) The Company shall cause notice of the execution of such supplemental indenture to be mailed to each Noteholder, at his address appearing on the Security Register, within thirty (30) days after execution thereof. Failure to deliver such notice shall not affect the legality or validity of such supplemental indenture.

(d) The above provisions of this Section shall similarly apply to successive Merger Events.

Section 8.07 *Certain Covenants*. The Company covenants that all shares of Common Stock delivered upon exchange of Notes will be fully paid and non-assessable by Parent and free from all taxes, liens and charges with respect to the issue thereof.

Section 8.08 *Responsibility of Trustee*. The Trustee and any other Exchange Agent shall not at any time be under any duty or responsibility to any Noteholder to determine the Exchange Rate or whether any facts exist which may require any adjustment of the Exchange Rate, or with respect to the nature or extent or calculation of any such adjustment when made, or with respect to the method employed, or herein or in any supplemental indenture provided to be employed, in making the same. The Trustee and any other Exchange Agent shall not be

accountable with respect to the validity or value (or the kind or amount) of any shares of Common Stock, or of any securities or property, which may at any time be issued or delivered upon the exchange of any Note; and the Trustee and any other Exchange Agent make no representations with respect thereto. Neither the Trustee nor any Exchange Agent shall be responsible for any failure of the Company to transfer or deliver any shares of Common Stock or share certificates or other securities or property or cash upon the surrender of any Note for the purpose of exchange or to comply with any of the duties, responsibilities or covenants of the Company contained in this Article.

Without limiting the generality of the foregoing, neither the Trustee nor any Exchange Agent shall be under any responsibility to determine the correctness of any provisions contained in any supplemental indenture entered into pursuant to Section 8.06 relating either to the kind or amount of shares of stock or securities or property (including cash) receivable by Noteholders upon the exchange of their Notes after any event referred to in such Section 8.06 or to any adjustment to be made with respect thereto, but, subject to the provisions of Article Six of the Base Indenture, may accept as conclusive evidence of the correctness of any such provisions, and shall be protected in relying upon, the Officers' Certificate with respect thereto.

Section 8.09 *Notice to Holders Prior to Certain Actions*.

In case:

(a) Parent shall declare a dividend (or any other distribution) on its Common Stock that would require an adjustment in the Exchange Rate pursuant to Section 8.04; or

(b) Parent shall authorize the granting to all of the holders of its Common Stock of rights or warrants to subscribe for or purchase any share of any class or any other rights or warrants;

(c) of any reclassification of the Common Stock of Parent (other than a subdivision or combination of its outstanding Common Stock, or a change in par value, or from par value to no par value, or from no par value to par value), or of any consolidation or merger to which Parent is a party and for which approval of any stockholders of Parent is required, or of the sale or transfer of all or substantially all of the assets of Parent; or

(d) of the voluntary or involuntary dissolution, liquidation or winding-up of Parent,

the Company shall cause to be filed with the Trustee and to be mailed to each Noteholder at his address appearing on the Security Register as promptly as possible but in any event at least thirty (30) days prior to the applicable date specified in clause (x) or (y) below, as the case may be, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution or rights or warrants, or, if a record is not to be taken, the date as of which the holders of Common Stock of record to be entitled to such dividend, distribution or rights are to be determined, or (y) the date on which such reclassification, consolidation, merger, sale, transfer, dissolution, liquidation or winding-up is expected to become effective or occur, and the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such

reclassification, consolidation, merger, sale, transfer, dissolution, liquidation or winding-up. Failure to give such notice, or any defect therein, shall not affect the legality or validity of such dividend, distribution, reclassification, consolidation, merger, sale, transfer, dissolution, liquidation or winding-up.

Section 8.10 *Stockholder Rights Plans*. Upon exchange of the Notes, the Holders shall receive, in addition to any shares of Common Stock issuable upon such exchange, the associated rights issued under any future stockholder rights plan Parent adopts unless, prior to exchange, the rights have separated from the shares of Common Stock, expired, terminated or been redeemed or converted in accordance with such rights plan. If, and only if, the Holders receive rights under such stockholder rights plans as described in the preceding sentence upon exchange of their Notes, then no other adjustment pursuant to this Article VIII shall be made in connection with such stockholder rights plans.

Section 8.11 *Ownership Limit*. Notwithstanding any other provision of this Second Supplemental Indenture or the Notes, no Holder of Notes (or beneficial owner of Notes) shall be entitled to exchange such Notes for shares of Common Stock to the extent that receipt of such shares would cause such Holder (or beneficial owner of Notes) (together with such Holder's (or beneficial owner's) affiliates) to exceed the applicable ownership limit contained in the articles of incorporation of Parent.

ARTICLE IX

REPURCHASE OF NOTES AT OPTION OF HOLDERS

Section 9.01 *Repurchase of Securities at Option of the Holder on Specified Dates*

(a) The provisions of Article Thirteen of the Base Indenture shall not be applicable to the Notes.

(b) Each Noteholder shall have the right, at such Holder's option, to require the Company to repurchase all of such Holder's Notes or any portion thereof that is a multiple of $1,000 principal amount, for cash on January 15, 2013, November 15, 2017, November 15, 2022, November 15, 2027 and November 15, 2032 (each, a "Put Right Repurchase Date") at a repurchase price per Note equal to 100% of the aggregate principal amount of the Notes being repurchased, together with any accrued and unpaid interest up to, but not including, such Put Right Repurchase Date (the "Put Right Repurchase Price").

Repurchases of Notes by the Company pursuant to this Section 9.01 shall be made, at the option of the Holder thereof, upon:

(i) delivery to the Trustee (or other Paying Agent appointed by the Company) by the Holder of a written notice of purchase (a "Put Right Repurchase Notice") in the form set forth on the reverse of the Note at any time from the opening of business on the date that is 25 Business Days prior to the applicable Put Right Repurchase Date until the close of business on the fifth Business Day prior to such Put Right Repurchase Date stating:

(A) if certificated, the certificate numbers of the Notes to be delivered for repurchase;

(B) the portion of the principal amount of the Notes to be repurchased, which must be $1,000 or an integral multiple thereof, and

(C) that the Notes are to be repurchased as of the applicable Put Right Repurchase Date pursuant to the terms and conditions specified in the Notes and in this Second Supplemental Indenture, and

(ii) delivery of such Note to the Paying Agent prior to, on or after the Put Right Repurchase Date (together with all necessary endorsements) at the offices of the Paying Agent, such delivery being a condition to receipt by the Holder of the Put Right Repurchase Price therefor, which shall be so paid pursuant to this Section 9.01 only if the Note so delivered to the Paying Agent shall conform in all respects to the description thereof in the related Put Right Repurchase Notice, as determined by the Company.

The Company shall repurchase from the Holder thereof, pursuant to this Section 9.01, a portion of a Note if the principal amount of such portion is $1,000 or an integral multiple of $1,000. Provisions of this Second Supplemental Indenture that apply to the repurchase of all of a Note also apply to the repurchase of such portion of such Note.

Any repurchase by the Company contemplated pursuant to the provisions of this Section 9.01 shall be consummated by the delivery of the consideration to be received by the Holder promptly following the later of the Put Right Repurchase Date and the time of delivery of the Note.

The Trustee (or other Paying Agent appointed by the Company) shall promptly notify the Company of the receipt by it of any Put Right Repurchase Notice or written notice of withdrawal thereof in accordance with the provisions of Section 9.01(e).

Any Note that is to be repurchased only in part shall be surrendered to the Trustee (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by the Holder thereof or his attorney duly authorized in writing), and the Company shall execute, and the Trustee shall authenticate and make available for delivery to the Holder of such Note without service charge, a new Note or Notes, containing identical terms and conditions, each in an authorized denomination in aggregate principal amount equal to and in exchange for the unrepurchased portion of the principal of the Note so surrendered.

(c) In connection with any purchase of Notes pursuant to this Section 9.01, the Company shall give written notice of the Put Right Repurchase Date to the Holders (the "Company Put Right Notice").

The Company Put Right Notice shall be sent by first-class mail to the Trustee and to each Holder (and to each beneficial owner as required by applicable law) that has delivered a Put Right Repurchase Notice within ten Business Days of receipt of such Put Right Repurchase

Notice, or, if a shorter period, at least two Business Days prior to any Put Right Repurchase Date (the "Company Put Right Notice Date"). Each Company Put Right Notice shall include a form of Put Right Repurchase Notice to be completed by a Noteholder and shall state:

(i) the Put Right Repurchase Price and the Exchange Price;

(ii) the name and address of the Paying Agent and the Exchange Agent;

(iii) that Notes as to which a Put Right Repurchase Notice has been given may be exchanged in accordance with Article VIII hereof only if the applicable Put Right Repurchase Notice has been withdrawn in accordance with the terms of this Second Supplemental Indenture;

(iv) that Notes must be surrendered to the Paying Agent to collect payment;

(v) that the Put Right Repurchase Price for any Note as to which a Put Right Repurchase Notice has been given and not withdrawn will be paid promptly following the later of the Put Right Repurchase Date and the time of surrender of such Note as described in subclause (iv) above;

(vi) the procedures the Holder must follow to exercise rights under this Section and a brief description of those rights;

(vii) briefly, the exchange rights of the Notes;

(viii) the procedures for withdrawing a Put Right Repurchase Notice (including pursuant to the terms of Section 9.01(e));

(ix) that, unless the Company defaults in making payment on Notes for which a Put Right Repurchase Notice has been submitted, interest on the Notes in respect of which a Put Right Repurchase Notice has been delivered and not withdrawn will cease to accrue on the Put Right Repurchase Date; and

(x) the CUSIP number of the Notes.

If any of the Notes are to be redeemed in the form of a Global Note, the Company shall modify such notice to the extent necessary to accord with the procedures of the Depositary applicable to redemptions.

At the Company's request, the Trustee shall give such Company Put Right Notice in the Company's name and at the Company's expense; *provided*, *however*, that, in all cases, the text of such Company Put Right Notice shall be prepared by the Company.

(d) Upon receipt by the Trustee (or other Paying Agent appointed by the Company) of the Put Right Repurchase Notice specified in Section 9.01(a), the Holder of the Note in respect of which such Put Right Repurchase Notice was given shall (unless such Put

Right Repurchase Notice is withdrawn as specified in Section 9.01(e)) thereafter be entitled to receive solely the Put Right Repurchase Price with respect to such Note. Such Put Right Repurchase Price shall be paid to such Holder, subject to receipt of funds by the Paying Agent, promptly following the later of (x) the Put Right Repurchase Date with respect to such Note (provided the conditions in Section 9.01(a) have been satisfied) and (y) the time of delivery of such Note to the Paying Agent by the Holder thereof in the manner required by Section 9.01(a). Notes in respect of which a Put Right Repurchase Notice has been given by the Holder thereof may not be exchanged pursuant to Article VIII hereof on or after the date of the delivery of such Put Right Repurchase Notice, unless such Put Right Repurchase Notice has first been validly withdrawn as specified in Section 9.01(e).

(e) A Put Right Repurchase Notice may be withdrawn by means of a written notice of withdrawal delivered to the office of the Paying Agent in accordance with the Put Right Repurchase Notice at any time prior to 10:00 A.M. New York City time on the fourth Business Day prior to the Put Right Repurchase Date specifying:

(i) if certificated Notes have been issued, the certificate numbers of the withdrawn Notes,

(ii) the principal amount of the Notes with respect to which such notice of withdrawal is being submitted, and

(iii) the principal amount, if any, of such Notes that remains subject to the original Put Right Repurchase Notice, which portion must be in principal amounts of $1,000 or an integral multiple of $1,000;

provided, *however*, that if the Notes are not in certificated form, the notice must comply with appropriate procedures of the Depositary.

A written notice of withdrawal of a Put Right Repurchase Notice shall be in the form set forth in the preceding paragraph.

Upon receipt of a written notice of withdrawal, the Paying Agent shall promptly return to the Holders thereof any Notes in respect of which a Put Right Repurchase Notice has been withdrawn in accordance with the provisions of Section 9.01(f).

(f) There shall be no repurchase of any Notes pursuant to this Section 9.01 if there has occurred (prior to, on or after, as the case may be, the giving, by the Holders of such Notes, of the required Put Right Repurchase Notice) and is continuing an Event of Default with respect to Notes (other than a default in the payment of the Put Right Repurchase Price with respect to such Notes). The Paying Agent will promptly return to the respective Holders thereof any Notes held by it during the continuance of an Event of Default with respect to Notes (other than a default in the payment of the Put Right Repurchase Price with respect to such Notes), in which case, upon such return, the Put Right Repurchase Notice with respect thereto shall be deemed to have been withdrawn.

(g) Prior to 11:00 a.m. (local time in The City of New York) on the Put Right Repurchase Date, the Company shall deposit with the Trustee (or other Paying Agent appointed

by the Company or if the Company is acting as its own Paying Agent, set aside, segregate and hold in trust in accordance with the terms of the Base Indenture as modified by this Second Supplemental Indenture) an amount (in immediately available funds if deposited on such Business Day) sufficient to pay the aggregate Put Right Repurchase Price of all the Notes or portions thereof which are to be purchased as of the Put Right Repurchase Date. The manner in which the deposit required by this Section 9.01(g) is made by the Company shall be at the option of the Company; provided that such deposit shall be made in a manner such that the Trustee or a Paying Agent shall have immediately available funds on the Put Right Repurchase Date.

If the Trustee (or other Paying Agent appointed by the Company) holds, in accordance with the terms hereof, money sufficient to pay the Put Right Repurchase Price of any Note, then, on the Put Right Repurchase Date, such Note will cease to be Outstanding and the rights of the Holder in respect thereof shall terminate (other than the right to receive the Put Right Repurchase Price as aforesaid).

To the extent that the aggregate amount of cash deposited by the Company pursuant to this Section 9.01(g) exceeds the aggregate Put Right Repurchase Price of the Notes or portions thereof that the Company is obligated to purchase, then promptly after the Put Right Repurchase Date the Trustee or a Paying Agent, as the case may be, shall return any such excess cash to the Company.

Section 9.02 *Repurchase at Option of Holders Upon a Fundamental Change*.

(a) If a Fundamental Change occurs at any time, then each Noteholder shall have the right, at such Holder's option, to require the Company to repurchase all of such Holder's Notes or any portion thereof that is a multiple of $1,000 principal amount, for cash on the date (the "Fundamental Change Repurchase Date") specified by the Company that is not less than twenty (20) Business Days and not more than thirty-five (35) Business Days after the date of the Fundamental Change Company Notice (as defined below) at a repurchase price equal to 100% of the principal amount thereof, together with accrued and unpaid interest thereon to, but excluding, the Fundamental Change Repurchase Date (the "Fundamental Change Repurchase Price").

Repurchases of Notes under this Section 9.02 shall be made, at the option of the Holder thereof, upon:

(i) delivery to the Trustee (or other Paying Agent appointed by the Company) by a Holder of a duly completed notice (the "Fundamental Change Repurchase Notice") in the form set forth on the reverse of the Note prior to the close of business on the Fundamental Change Repurchase Date; and

(ii) delivery or book-entry transfer of the Notes to the Trustee (or other Paying Agent appointed by the Company) at any time after delivery of the Fundamental Change Repurchase Notice (together with all necessary endorsements) at the Corporate Trust Office of the Trustee (or other Paying Agent appointed by the Company) in the Borough of Manhattan, such delivery being a condition to receipt by the Holder of the Fundamental Change Repurchase Price therefor; provided that such Fundamental Change

Repurchase Price shall be so paid pursuant to this Section 9.02 only if the Note so delivered to the Trustee (or other Paying Agent appointed by the Company) shall conform in all respects to the description thereof in the related Fundamental Change Repurchase Notice.

The Fundamental Change Repurchase Notice shall state:

(A) if certificated, the certificate numbers of Notes to be delivered for repurchase;

(B) the portion of the principal amount of Notes to be repurchased, which must be $1,000 or an integral multiple thereof; and

(C) that the Notes are to be repurchased by the Company pursuant to the applicable provisions of the Notes and this Second Supplemental Indenture.

Any repurchase by the Company contemplated pursuant to the provisions of this Section 9.02 shall be consummated by the delivery of the consideration to be received by the Holder promptly following the later of the Fundamental Change Repurchase Date and the time of the book-entry transfer or delivery of the Note.

The Trustee (or other Paying Agent appointed by the Company) shall promptly notify the Company of the receipt by it of any Fundamental Change Repurchase Notice or written notice of withdrawal thereof in accordance with the provisions of Section 9.02(c).

Any Note that is to be repurchased only in part shall be surrendered to the Trustee (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by the Holder thereof or his attorney duly authorized in writing), and the Company shall execute, and the Trustee shall authenticate and make available for delivery to the Holder of such Note without service charge, a new Note or Notes, containing identical terms and conditions, each in an authorized denomination in aggregate principal amount equal to and in exchange for the unrepurchased portion of the principal of the Note so surrendered.

(b) On or before the twentieth day after the occurrence of any Fundamental Change, the Company shall provide to all Holders of record of the Notes and the Trustee and Paying Agent a notice (the "Fundamental Change Company Notice") of the occurrence of such Fundamental Change and of the repurchase right at the option of the Holders arising as a result thereof. Such mailing shall be by first class mail. Simultaneously with providing such Fundamental Change Company Notice, the Company shall publish a notice containing the information included therein once in a newspaper of general circulation in The City of New York or publish such information on the Company's website or through such other public medium as the Company may use at such time.

Each Fundamental Change Company Notice shall specify:

(i) the events causing the Fundamental Change;

(ii) the date of the Fundamental Change;

(iii) that the Holder must exercise the repurchase right on or prior to the close of business on the Fundamental Change Repurchase Date;

(iv) the Fundamental Change Repurchase Price;

(v) the Fundamental Change Repurchase Date;

(vi) the name and address of the Paying Agent and the Exchange Agent;

(vii) the applicable Exchange Rate and any adjustments to the applicable Exchange Rate;

(viii) that the Notes with respect to which a Fundamental Change Repurchase Notice has been delivered by a Holder may be exchanged only if the Holder withdraws the Fundamental Change Repurchase Notice in accordance with the terms of this Second Supplemental Indenture; and

(ix) the procedures that Holders must follow to require the Company to repurchase their Notes.

No failure of the Company to give the foregoing notices and no defect therein shall limit the Noteholders' repurchase rights or affect the validity of the proceedings for the repurchase of the Notes pursuant to this Section 9.02.

(c) A Fundamental Change Repurchase Notice may be withdrawn by means of a written notice of withdrawal delivered to the Trustee and Paying Agent in accordance with the Fundamental Change Company Notice at any time prior to the close of business on the Business Day prior to the Fundamental Change Repurchase Date, specifying:

(i) the principal amount of the Notes with respect to which such notice of withdrawal is being submitted;

(ii) if certificated Notes have been issued, the certificate numbers of the withdrawn Notes; and

(iii) the principal amount, if any, of such Notes that remains subject to the original Fundamental Change Repurchase Notice, which portion must be in principal amounts of $1,000 or an integral multiple of $1,000;

provided, *however*, that if the Notes are not in certificated form, the notice must comply with appropriate procedures of the Depositary.

(d) On or prior to 11:00 a.m. (local time in The City of New York) on the second Business Day following the Fundamental Change Repurchase Date, the Company will deposit with the Trustee (or other Paying Agent appointed by the Company or if the Company is

acting as its own Paying Agent, set aside, segregate and hold in trust in accordance with the Base Indenture as modified by this Second Supplemental Indenture) an amount of money sufficient to repurchase on the Fundamental Change Repurchase Date all of the Notes to be repurchased on such date at the Fundamental Change Repurchase Price. Subject to receipt of funds and/or Notes by the Trustee (or other Paying Agent appointed by the Company), payment for Notes surrendered for repurchase (and not withdrawn) prior to the close of business on the Fundamental Change Repurchase Date will be made promptly after the later of (x) the Fundamental Change Repurchase Date with respect to such Note (*provided* the Holder has satisfied the conditions to the payment of the Fundamental Change Repurchase Price in Section 9.02), and (y) the time of book-entry transfer or the delivery of such Note to the Trustee (or other Paying Agent appointed by the Company) by the Holder thereof in the manner required by Section 9.02 by mailing checks for the amount payable to the Holders of such Notes entitled thereto as they shall appear in the Security Register, *provided*, *however*, that payments to the Depositary shall be made by wire transfer of immediately available funds to the account of the Depositary or its nominee. The Trustee shall, promptly after such payment and upon written demand by the Company, return to the Company any funds in excess of the Fundamental Change Repurchase Price.

(e) If the Trustee (or other Paying Agent appointed by the Company) holds money or securities sufficient to repurchase on the Fundamental Change Repurchase Date all the Notes or portions thereof that are to be purchased as of the second Business Day following the Fundamental Change Repurchase Date, then on and after the Fundamental Change Repurchase Date (i) such Notes will cease to be Outstanding, (ii) interest will cease to accrue on such Notes, and (iii) all other rights of the Holders of such Notes will terminate, whether or not book-entry transfer of the Notes has been made or the Notes have been delivered to the Trustee or Paying Agent, other than the right to receive the Fundamental Change Repurchase Price upon delivery of the Notes.

ARTICLE X

GUARANTEE

Section 10.01 *Guarantees.* Article Sixteen of the Base Indenture shall be applicable to the Notes.

ARTICLE XI

MISCELLANEOUS PROVISIONS

Section 11.01 *Ratification of Base Indenture*. Except as expressly modified or amended hereby, the Base Indenture continues in full force and effect and is in all respects confirmed, ratified and preserved and the provisions thereof shall be applicable to the Notes and this Second Supplemental Indenture.

Section 11.02 *Provisions Binding on Company's Successors*. All the covenants, stipulations, promises and agreements of the Company contained in this Second Supplemental Indenture shall bind its successors and assigns whether so expressed or not.

Section 11.03 *Official Acts by Successor Corporation*. Any act or proceeding by any provision of this Second Supplemental Indenture authorized or required to be done or performed by any board, committee or officer of the Company shall and may be done and performed with like force and effect by the like board, committee or officer of any corporation or entity that shall at the time be the lawful sole successor of the Company.

Section 11.04 *Addresses for Notices, Etc*. Any notice or demand which by any provision of this Second Supplemental Indenture is required or permitted to be given or served by the Trustee or by the Noteholders on the Company shall be deemed to have been sufficiently given or made, for all purposes if given or served by being deposited postage prepaid by registered or certified mail in a post office letter box addressed (until another address is filed by the Company with the Trustee) to Prologis, L.P., Pier 1, Bay 1, San Francisco, California 94111, Attention: Chief Financial Officer. Any notice, direction, request or demand hereunder to or upon the Trustee shall be deemed to have been sufficiently given or made, for all purposes, if given or served by being deposited postage prepaid by registered or certified mail in a post office letter box addressed to U.S. Bank National Association, 100 Wall Street, Suite 1600, New York, New York 10005, Attention: Corporate Trust Services/Prologis, L.P.

The Trustee, by notice to the Company, may designate additional or different addresses for subsequent notices or communications.

Any notice or communication mailed to a Noteholder shall be mailed to him by first class mail, postage prepaid, at his address as it appears on the Security Register and shall be sufficiently given to him if so mailed within the time prescribed.

Failure to mail a notice or communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

Section 11.05 *Governing Law*. THIS SECOND SUPPLEMENTAL INDENTURE, EACH NOTE AND THE GUARANTEE SHALL BE DEEMED TO BE A CONTRACT MADE UNDER THE LAWS OF THE STATE OF NEW YORK, AND FOR ALL PURPOSES SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS ENTERED INTO AND TO BE PERFORMED THEREIN.

Section 11.06 *Non-Business Day*. Section 113 of the Base Indenture shall also apply to any Fundamental Change Purchase Date, Put Right Repurchase Date or Exchange Date in respect of the Notes.

Section 11.07 *Benefits of Indenture*. Nothing in this Second Supplemental Indenture or in the Notes, expressed or implied, shall give to any person, other than the parties hereto, any Paying Agent, any authenticating agent, any Security Registrar and their successors hereunder, the Noteholders, any benefit or any legal or equitable right, remedy or claim under this Second Supplemental Indenture.

Section 11.08 *Table of Contents, Headings, Etc*. The table of contents and the titles and headings of the articles and sections of this Second Supplemental Indenture have been inserted

for convenience of reference only, are not to be considered a part hereof, and shall in no way modify or restrict any of the terms or provisions hereof.

Section 11.09 *Execution in Counterparts.* This Second Supplemental Indenture may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument.

Section 11.10 *Trustee*. The Trustee makes no representations as to the validity or sufficiency of this Second Supplemental Indenture. The statements and recitals herein are deemed to be those of the Company and Parent and not of the Trustee.

Section 11.11 *Further Instruments and Acts.* Upon request of the Trustee, the Company and Parent will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purposes of this Second Supplemental Indenture.

Section 11.12 *Waiver of Jury Trial*. EACH OF THE COMPANY, PARENT AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES OR THE TRANSACTION CONTEMPLATED HEREBY.

Section 11.13 *Force Majeure*. In no event shall the Trustee or Exchange Agent be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

IN WITNESS WHEREOF, the parties hereto have caused this Second Supplemental Indenture to be duly executed as of the date first written above.

PROLOGIS, L.P.
By: Prologis, Inc., its general partner

By: /s/ Phillip D. Joseph, Jr.
Name: Phillip D. Joseph, Jr.
Title: Senior Vice President And Treasurer

Attest:

By: /s/ Michael T. Blair
Name: Michael T. Blair
Title: Managing Director and Deputy General Counsel

PROLOGIS, INC.

By: Phillip D. Joseph, Jr.
Name: Phillip D. Joseph, Jr.
Title: Senior Vice President And Treasurer

Attest:

By: /s/ Michael T. Blair
Name: Michael T. Blair
Title: Managing Director and Deputy General Counsel

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: /s/ Beverly A. Freeney
Name: Beverly A. Freeney
Title: Vice President

[Second Supplemental Indenture]

SCHEDULE A

Share Price

Effective Date	$153.07	$156.81	$168.01	$179.21	$190.41	$201.61	$212.81	$224.01	$235.22	$246.42	$257.62	$268.82
January 15, 2012	1.0888	0.9285	0.6389	0.4241	0.2694	0.1613	0.0884	0.0409	0.0111	0.0000	0.0000	0.0000
January 15, 2013	1.0888	0.9054	0.4821	0.1232	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

EXHIBIT A

FORM GLOBAL OF NOTE

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

PROLOGIS, L.P.

1.875% Exchangeable Senior Notes due 2037

No.1 $140,987,000

CUSIP No. 74340XAR2

PROLOGIS, L.P., a limited partnership organized and existing under the laws of the State of Delaware (herein called the "Company," which term includes any successor corporation under the Indenture referred to on the reverse hereof), for value received hereby promises to pay to CEDE & CO., or registered assigns, the principal sum of ONE HUNDRED AND FORTY MILLION NINE HUNDRED AND EIGHTY SEVEN THOUSAND DOLLARS ($140,987,000) or such other principal amount as shall be set forth on the Schedule I hereto on November 15, 2037.

This Security shall bear interest at the rate of 1.875% per year from May 15, 2011, or from the most recent date to which interest had been paid or provided. Interest is payable semi-annually in arrears on each May 15 and November 15, commencing November 15, 2011, to Holders of record at the close of business on the preceding May 1 and November 1, respectively. Interest payable on each Interest Payment Date shall equal the amount of interest accrued from, and including the immediately preceding Interest Payment Date (or from and including May 15, 2011, if no interest has been paid hereon) to but excluding such Interest Payment Date.

Payment of the principal and interest, on this Security will be made at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, City of New York, or elsewhere as provided in the Indenture, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; provided, however, that at the option of the Company, payment of interest may be made by (i) check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register or (ii) transfer to an account of the Person entitled thereto located inside the United States; provided further, however, that, with respect to any Holder of Securities with an aggregate principal amount in excess of $1,000,000, at the application of such Holder in writing to the Company, interest on such Holder's Securities shall be paid by wire transfer in immediately available funds to such Holder's account in the United States supplied by such Holder from time to time to the Trustee and Paying Agent (if different from the Trustee) not later than the applicable record date.

Reference is made to the further provisions of this Security set forth on the reverse hereof, including, without limitation, provisions giving the Holder of this Security the right to exchange this Security into cash, shares of Common Stock of the Company or a combination of cash and shares of Common Stock on the terms and subject to the limitations referred to on the reverse hereof and as more fully specified in the Indenture. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This Security shall be deemed to be a contract made under the laws of the State of New York, and for all purposes shall be construed in accordance with the laws of the State of New York applicable to contracts entered into and to be performed therein.

This Security shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been manually signed by the Trustee or a duly authorized authenticating agent under the Indenture.

[Remainder of page intentionally left blank]

Unless the certificate of authentication hereon has been executed by or on behalf of the Trustee by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed by the undersigned officer.

PROLOGIS, L.P.
By: Prologis, Inc., its sole general partner

By: /s/ Phillip D. Joseph, Jr.
Name: Phillip D. Joseph, Jr.
Title: Senior Vice President and Treasurer

Attest

By: /s/ Michael T. Blair
Name: Michael T. Blair
Title: Managing Director and Deputy General Counsel

Dated: June 8, 2011

TRUSTEE'S CERTIFICATE OF AUTHENTICATION:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
as trustee

By: ____________________
Authorized Officer

PROLOGIS

1.875% Exchangeable Senior Notes due 2037

This Security is one of a duly authorized issue of Securities of the Company, designated as its 1.875% Exchangeable Senior Notes due 2037 (herein called the "Securities"), issued under and pursuant to an Indenture dated as of June 8, 2011 (herein called the "Base Indenture"), as supplemented with respect to the Securities by the First Supplemental Indenture, dated as of June 8, 2011 and the Second Supplemental Indenture (herein called the "Second Supplemental Indenture"), dated as of June 8, 2011 (as so supplemented, herein called the "Indenture"), among the Company, Prologis, Inc. (herein called the "Parent Guarantor") and U.S. Bank National Association (herein called the "Trustee"), to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the rights, limitations of rights, obligations, duties and immunities thereunder of the Trustee, the Company, the Parent Guarantor and the Holders of the Securities. Additional Securities may be issued in an unlimited aggregate principal amount, subject to certain conditions specified in the Indenture. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Indenture.

In case an Event of Default, as defined in the Indenture, shall have occurred and be continuing, the principal of and interest on all Securities may be declared, and upon said declaration shall become, due and payable, in the manner, with the effect and subject to the conditions provided in the Indenture.

Prior to January 15, 2013, the Company may not redeem the Securities except to preserve the Company's status as a real estate investment trust as described in Section 3.01 of the Second Supplemental Indenture. Subject to the terms and conditions of the Indenture, on or after January 15, 2013, the Company shall have the right to redeem the Securities, in whole or from time to time in part, at a price equal to 100% of the principal amount of the Securities being redeemed, plus accrued and unpaid interest. Any such redemption shall be upon at least 30 days' and no more than 60 days' notice to Holders of the Securities.

Subject to the terms and conditions of the Indenture, the Company will make all payments and deliveries in respect of the Fundamental Change Repurchase Price, the Put Right Repurchase Price, the Redemption Price and the principal amount on the Maturity Date, as the case may be, to the Holder who surrenders a Security to a Paying Agent to collect such payments in respect of the Security. The Company will pay cash amounts in money of the United States that at the time of payment is legal tender for payment of public and private debts.

The Indenture contains provisions permitting the Company, the Parent Guarantor and the Trustee in certain circumstances, without the consent of the Holders of the Securities, and in other circumstances, with the consent of the Holders of not less than a majority in principal amount of the Securities at the time Outstanding, evidenced as in the Indenture provided, to execute supplemental indentures adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or of any supplemental indenture or modifying

in any manner the rights of the Holders of the Securities; provided, however, that no such supplemental indenture shall make any of the changes set forth in Section 6.02 of the Second Supplemental Indenture, without the consent of each Holder of an Outstanding Security affected thereby. It is also provided in the Indenture that, prior to any declaration accelerating the maturity of the Securities, the Holders of a majority in principal amount of the Securities at the time Outstanding may on behalf of the Holders of all of the Securities waive any past default or Event of Default under the Indenture and its consequences except as provided in the Indenture. Any such consent or waiver by the Holder of this Security (unless revoked as provided in the Indenture) shall be conclusive and binding upon such Holder and upon all future Holders and owners of this Security and any Securities which may be issued in exchange or substitution hereof, irrespective of whether or not any notation thereof is made upon this Security or such other Securities.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and accrued and unpaid interest on this Security at the place, at the respective times, at the rate and in the lawful money herein prescribed.

The Securities are issuable in registered form without coupons in denominations of $1,000 principal amount and integral multiples thereof. At the office or agency of the Company referred to on the face hereof, and in the manner and subject to the limitations provided in the Indenture, without payment of any service charge but with payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration or exchange of Securities, Securities may be exchanged for a like aggregate principal amount of Securities of other authorized denominations.

The Securities are not subject to redemption through the operation of any sinking fund.

Upon the occurrence of a Fundamental Change, the Holder has the right, at such Holder's option, to require the Company to repurchase all of such Holder's Securities or any portion thereof (in principal amounts of $1,000 or integral multiples thereof) on the Fundamental Change Repurchase Date at a price equal to 100% of the principal amount of the Securities such holder elects to require the Company to repurchase, together with accrued and unpaid interest to but excluding the Fundamental Change Repurchase Date. The Company or, at the written request of the Company, the Trustee shall mail to all Holders of record of the Securities a notice of the occurrence of a Fundamental Change and of the repurchase right arising as a result thereof on or before the twentieth day after the occurrence of any Fundamental Change.

On January 15, 2013, November 15, 2017, November 15, 2022, November 15, 2027 and November 15, 2032, the Holder has the right, at such Holder's option, to require the Company to repurchase all of such Holder's Securities or any portion thereof (in principal amounts of $1,000 or integral multiples thereof) at a price equal to 100% of the principal amount of the Securities such Holder elects to require the Company to repurchase, together with accrued and unpaid interest to but excluding the Put Right Repurchase Date. Holders shall submit their Securities for repurchase to the Paying Agent at any time from the opening of business on the date that is 25 Business Days prior to the applicable Put Right Repurchase Date until the close of business on the fifth Business Day prior to the Put Right Repurchase Date.

Subject to the provisions of the Indenture, the Holder hereof has the right, at its option, on and after October 15, 2012, or earlier upon the occurrence of certain conditions specified in the Indenture and prior to the close of business on the Trading Day immediately preceding the Maturity Date, to exchange any Securities or portion thereof which is $1,000 or an integral multiple thereof, into cash, shares of Common Stock or a combination of cash and shares of Common Stock, at the option of the Company as provided in the Second Supplemental Indenture, in each case at the Exchange Rate specified in the Indenture, as adjusted from time to time as provided in the Indenture, upon surrender of this Security, together with a Notice of Exchange, a form of which is attached to this Security, as provided in the Indenture and this Security, to the Company at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, City of New York or elsewhere as provided in the Indenture, and, unless the shares issuable on exchange are to be issued in the same name as this Security, duly endorsed by, or accompanied by instruments of transfer in form satisfactory to the Company duly executed by, the Holder or by his duly authorized attorney. The initial Exchange Rate is 5.4874 shares for each $1,000 principal amount of Securities. No fractional shares of Common Stock will be issued upon any exchange, but an adjustment in cash will be paid to the Holder, as provided in the Indenture, in respect of any fraction of a share which would otherwise be issuable upon the surrender of any Security or Securities for exchange. No adjustment shall be made for dividends or any shares issued upon exchange of such Security except as provided in the Indenture.

Upon due presentment for registration of transfer of this Security at the office or agency of the Company in the Borough of Manhattan, City of New York, a new Security or Securities of authorized denominations for an equal aggregate principal amount will be issued to the transferee in exchange thereof, subject to the limitations provided in the Indenture, without charge except for any tax, assessments or other governmental charge imposed in connection therewith.

The Company, the Trustee, any authenticating agent, any Paying Agent, any Exchange Agent and any Security Registrar may deem and treat the registered Holder hereof as the absolute owner of this Security (whether or not this Security shall be overdue and notwithstanding any notation of ownership or other writing hereon), for the purpose of receiving payment hereof, or on account hereof, for the exchange hereof and for all other purposes, and neither the Company nor the Trustee nor any other authenticating agent nor any Paying Agent nor any other Exchange Agent nor any Security Registrar shall be affected by any notice to the contrary. All payments made to or upon the order of such registered Holder shall, to the extent of the sum or sums paid, satisfy and discharge liability for monies payable on this Security.

Except as provided in Article Sixteen of the Base Indenture, no recourse under or upon any obligation, covenant or agreement contained in the Indenture or in this Security, or because of any indebtedness evidenced thereby, shall be had against any promoter, as such, or against any past, present or future stockholder, partner, director, officer, employee, agent thereof or trustee, as such, of the Company or any Guarantor or of any successor thereof, either directly or through the Company or any Guarantor or any successor thereof, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability being expressly waived and released by the acceptance

of this Security by the Holder thereof and as part of the consideration for the issue of the Securities of this series.

Terms used in this Security and defined in the Indenture are used herein as therein defined.

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (=tenants in common), TENANT (=tenants by the entireties), JT TEN (joint tenants with right of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform gift to Minors Act).

Schedule I

PROLOGIS, L.P.

1.875% Exchangeable Senior Notes due 2037

No. 1

Date	Principal Amount	Notation Explaining Principal Amount Recorded	Authorized Signature of Trustee or Custodian

FORM OF EXCHANGE NOTICE

To: PROLOGIS, L.P.

The undersigned registered owner of this Security hereby exercises the option to exchange this Security, or the portion hereof (which is $1,000 principal amount or an integral multiple thereof) below designated, into cash, shares of Common Stock, or a combination of cash and shares of Common Stock, in accordance with the terms of the Indenture referred to in this Security, and directs that the shares issuable and deliverable upon such exchange, if any, together with any check in payment of the cash in respect of the remaining Exchange Obligation (as defined in the Indenture) and for fractional shares and any Securities representing any unexchanged principal amount hereof, be issued and delivered to the registered holder hereof unless a different name has been indicated below. If shares or any portion of this Security not exchanged are to be issued in the name of a person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto. Any amount required to be paid to the undersigned on account of interest accompanies this Security.

Dated:__________

Signature(s)

Signature Guarantee

Signature(s) must be guaranteed by an eligible
Guarantor Institution (banks, stock brokers,
savings and loan associations and credit unions)
with membership in an approved signature guarantee
medallion program pursuant to Rule 17Ad-15 under
the Securities Exchange Act of 1934, as amended,
if shares of Common Stock are to be issued, or Securities
to be delivered, other than to and in the name of
the registered holder.

Fill in for registration of shares if to be issued, and Securities if to be delivered, other than to and in the name of the registered holder:

(Name)

(Street Address)

(City, State and Zip Code)

Please print name and address

Principal amount to be exchanged (if less than all): $___,000

Social Security or Other Taxpayer Identification Number

FORM OF PUT RIGHT REPURCHASE NOTICE

To: PROLOGIS, L.P.

The undersigned hereby requests and instructs the Company to repay the entire principal amount of this Security, or a portion hereof (which is $1,000 principal amount or an integral multiple thereof) below designated, on ___in accordance with the terms of the Indenture referred to in this Security at the Put Right Repurchase Price, to the registered holder hereof.

Dated:________________

Signature(s)

Social Security or Other Taxpayer Identification
Number Principal amount
to be repaid (if less than all): $___,000 NOTICE:
The above signatures of the holder(s) hereof
must correspond with the name as written
upon the face of the Security in every
particular without alteration or enlargement or any
change whatever.

FORM OF FUNDAMENTAL CHANGE REPURCHASE NOTICE

To: PROLOGIS, L.P.

The undersigned registered owner of this Security hereby acknowledges receipt of a notice from Prologis, L.P. (the "Company") as to the occurrence of a Fundamental Change with respect to the Company and requests and instructs the Company to repay the entire principal amount of this Security, or the portion thereof (which is $1,000 principal amount or an integral multiple thereof) below designated, in accordance with the terms of the Indenture referred to in this Security, to the registered holder hereof.

Dated:________________

Signature(s)

Social Security or Other Taxpayer
Identification Number Principal amount to
be repaid (if less than all): $___,000 NOTICE:
The above signatures of the holder(s) hereof
must correspond with the name as written
upon the face of the Security in every
particular without alteration or enlargement or any
change whatever.

FORM OF ASSIGNMENT AND TRANSFER

For value received hereby sell(s), assign(s) and transfer(s) unto (Please insert social security or Taxpayer Identification Number of assignee) the within Security, and hereby irrevocably constitutes and appoints attorney to transfer the said Security on the books of the Company, with full power of substitution in the premises.

Dated:________________

Signature(s)

Signature Guarantee

Signature(s) must be guaranteed by an eligible Guarantor Institution (banks, stock brokers, savings and loan associations and credit unions) with membership in an approved signature guarantee medallion program pursuant to Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended, if shares of Common Stock are to be issued, or Securities to be delivered, other than to and in the name of the registered holder.

NOTICE: The signature on the exchange notice, the option to elect repurchase upon a Fundamental Change, the Put Right Notice, or the assignment must correspond with the name as written upon the face of the Security in every particular without alteration or enlargement or any change whatever.

GUARANTEE

FOR VALUE RECEIVED, the undersigned hereby, jointly and severally with any other Guarantors, unconditionally guarantees to the Holder of the accompanying 1.875% Exchangeable Senior Notes due 2037 (the "Note") issued by Prologis, L.P. (the "Company") under an Indenture dated as of June 8, 2011 (together with the First Supplemental Indenture thereto and the Second Supplemental Indenture thereto, the "Indenture") among the Company, Prologis, Inc., and U.S. Bank National Association, as trustee thereunder (the "Trustee"), (a) the full and prompt payment of the principal of and premium, if any, on such Note when and as the same shall become due and payable, whether at Stated Maturity, by acceleration, by redemption or otherwise, and (b) the full and prompt payment of the interest on such Note when and as the same shall become due and payable, according to the terms of such Note and of the Indenture. In case of the failure of the Company punctually to pay any such principal, premium or interest, the undersigned hereby agrees to cause any such payment to be made punctually when and as the same shall become due and payable, whether at Stated Maturity, upon acceleration, by redemption or otherwise, and as if such payment were made by the Company. The undersigned hereby agrees, jointly and severally with any other Guarantors, that its obligations hereunder shall be as principal and not merely as surety, and shall be absolute and unconditional, and shall not be affected, modified or impaired by the following: (a) the failure to give notice to the Guarantors of the occurrence of an Event of Default under the Indenture; (b) the waiver, surrender, compromise, settlement, release or termination of the payment, performance or observance by the Company or the Guarantors of any or all of the obligations, covenants or agreements of either of them contained in the Indenture or the Notes; (c) the acceleration, extension or any other changes in the time for payment of any principal of or interest or any premium on any Note or for any other payment under the Indenture or of the time for performance of any other obligations, covenants or agreements under or arising out of the Indenture or the Notes; (d) the modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in the Indenture or the Notes; (e) the taking or the omission of any of the actions referred to in the Indenture and in any of the actions under the Notes; (f) any failure, omission, delay or lack on the part of the Trustee to enforce, assert or exercise any right, power or remedy conferred on the Trustee in the Indenture, or any other action or acts on the part of the Trustee or any of the Holders from time to time of the Notes; (g) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets, marshaling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment of, or other similar proceedings affecting the Guarantors or the Company or any of the assets of any of them, or any allegation or contest of the validity of this Guarantee in any such proceeding; (h) to the extent permitted by law, the release or discharge by operation of law of the Guarantors from the performance or observance of any obligation, covenant or agreement contained in the Indenture; (i) to the extent permitted by law, the release or discharge by operation of law of the Company from the performance or observance of any obligation, covenant or agreement contained in the Indenture; (j) the default or failure of the Company or the Trustee fully to perform any of its obligations set forth in the Indenture or the Notes; (k) the invalidity, irregularity or unenforceability of the Indenture or the Notes or any part of any thereof; (l) any judicial or governmental action affecting the Company or any Notes or consent or indulgence granted to the Company by the Holders or by the Trustee; or (m) the

recovery of any judgment against the Company or any action to enforce the same or any other circumstance which might constitute a legal or equitable discharge of a surety or guarantor. The undersigned hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of merger, sale, lease or conveyance of all or substantially all of its assets, insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest or notice with respect to such Notice or the indebtedness evidenced thereby and all demands whatsoever, and covenants that this Guarantee will not be discharged except by complete performance of the obligations contained in such Note and in this Guarantee.

No reference herein to such Indenture and no provision of this Guarantee or of such Indenture shall alter or impair the guarantee of the undersigned, which is absolute and unconditional, of the full and prompt payment of the principal of and premium, if any, and interest on the Note.

THIS GUARANTEE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK.

This Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication on the Note shall have been executed by the Trustee under the Indenture referred to above by the manual signature of one of its authorized officers. The validity and enforceability of this Guarantee shall not be affected by the fact that it is not affixed to any particular Note.

An Event of Default under the Indenture or the Notes shall constitute an event of default under this Guarantee, and shall entitle the Holders of Notes to accelerate the obligations of the undersigned hereunder in the same manner and to the same extent as the obligations of the Company.

Notwithstanding any other provision of this Guarantee to the contrary, the undersigned hereby waives any claims or other rights which it may now have or hereafter acquire against the Company that arise from the existence or performance of its obligations under this Guarantee (all such claims and rights are referred to as “Guarantor’s Conditional Rights”), including, without limitation, any right of subrogation, reimbursement, exoneration, contribution, or indemnification, any right to participate in any claim or remedy against the Company, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, by any payment made hereunder or otherwise, including without limitation, the right to take or receive from the Company, directly or indirectly, in cash or other property or by setoff or in any other manner, payment or security on account of such claim or other rights. Guarantor hereby agrees not to exercise any rights which may be acquired by way of contribution under this Guarantee or any other agreement, by any payment made hereunder or otherwise, including, without limitation, the right to take or receive from any other Guarantor, directly or indirectly, in cash or other property or by setoff or in any other manner, payment or security on account of such contribution rights. If, notwithstanding the foregoing provisions, any amount shall be paid to the undersigned on account of the Guarantor’s Conditional Rights and either (i) such amount is paid to such undersigned party at any time when the indebtedness shall not have been paid or performed in full, or (ii) regardless of when such amount is paid to such undersigned party, any payment made by the Company to a Holder that is at any time determined to be a Preferential Payment (as defined below), then such amount paid to the undersigned shall be held in trust for

the benefit of Holder and shall forthwith be paid to such Holder to be credited and applied upon the indebtedness, whether matured or unmatured. Any such payment is herein referred to as a "Preferential Payment" to the extent the Company makes any payment to Holder in connection with the Note, and any or all of such payment is subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid or paid over to a trustee, receiver or any other entity, whether under any bankruptcy act or otherwise.

To the extent that any of the provisions of the immediately preceding paragraph shall not be enforceable, the undersigned agrees that until such time as the indebtedness has been paid and performed in full and the period of time has expired during which any payment made by the Company or the undersigned to a Holder may be determined to be a Preferential Payment, Guarantor's Conditional Rights to the extent not validly waived shall be subordinate to Holders' right to full payment and performance of the indebtedness and the undersigned shall not enforce any of Guarantor's Conditional Rights until such time as the indebtedness has been paid and performed in full and the period of time has expired during which any payment made by the Company or the undersigned to Holders may be determined to be a Preferential Payment.

The obligations of the undersigned to the Holders of the Notes and to the Trustee pursuant to this Guarantee and the Indenture are expressly set forth in Article 16 of the Indenture and reference is hereby made to the Indenture for the precise terms of this Guarantee and all of the other provisions of the Indenture to which this Guarantee relates.

Capitalized terms used in this Guarantee which are not defined herein shall have the meanings assigned to them in the Indenture.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned has caused this Guarantee to be duly executed.

Dated: June 8, 2011

PROLOGIS, INC.

By: ______________________________

Name: Phillip D. Joseph, Jr.

Title: Senior Vice President and Treasurer

EXHIBIT 4.5

PROLOGIS, L.P.

as Issuer,

PROLOGIS, INC.

as Parent Guarantor

and

U.S. BANK NATIONAL ASSOCIATION

as Trustee

THIRD SUPPLEMENTAL INDENTURE

Dated as of June 8, 2011

2.625% Exchangeable Senior Notes due 2038

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THIRD SUPPLEMENTAL INDENTURE

2.625% Exchangeable Senior Notes due 2038

THIS THIRD SUPPLEMENTAL INDENTURE (this ‘Third Supplemental Indenture”), is dated as of June 8, 2011, by and among PROLOGIS, L.P., a Delaware limited partnership (hereinafter called the “Company”), having its principal office at Pier 1, Bay 1, San Francisco, California 94111, PROLOGIS, INC., a Maryland corporation (hereinafter called “Parent”), having its principal office at Pier 1, Bay 1, San Francisco, California 94111 and U.S. BANK NATIONAL ASSOCIATION, as Trustee under the Base Indenture (hereinafter called the “Trustee”), having its Corporate Trust Office at 100 Wall Street, Suite 1600, New York, New York 10005, under the Base Indenture (defined below).

RECITALS:

The Company, Parent and the Trustee have heretofore entered into an Indenture dated as of June 8, 2011, as amended by a First Supplemental Indenture dated as of June 8, 2011 and a Second Supplemental Indenture dated as of June 8, 2011 (as so supplemented hereinafter called the “Base Indenture”), among the Company, Parent and the Trustee, providing for the issuance by the Company from time to time of its senior debt securities evidencing its unsubordinated indebtedness (the “Securities”).

Section 301 of the Base Indenture provides for various matters with respect to any series of Securities issued under the Base Indenture to be established in an indenture supplemental to the Base Indenture.

Section 901(7) of the Base Indenture provides for the Company, Parent and the Trustee to enter into an indenture supplemental to the Base Indenture to establish the form or terms of Securities of any series as provided by Sections 201 and 301 of the Base Indenture without the consent of the Holders of any Securities.

WHEREAS, for its lawful corporate purposes, the Company has duly authorized the issue of its 2.625% Exchangeable Senior Notes due 2038 (hereinafter referred to as the “Notes”), initially in an aggregate principal amount not to exceed $363,779,000, and in order to provide the terms and conditions upon which the Notes are to be authenticated, issued and delivered, the Board of Directors has duly authorized the execution and delivery of this Third Supplemental Indenture; and

WHEREAS, the Notes, the certificate of authentication to be borne by the Notes, a form of assignment, a form of the Fundamental Change Repurchase Notice, a form of option to elect repayment on a Put Right Repurchase Date, a form of exchange notice, a form of certificate of transfer and the Guarantee to be borne by the Notes are to be substantially in the forms hereinafter provided for; and

All things necessary to make the Base Indenture, as hereby modified, a valid agreement of the Company and Parent, in accordance with its terms, have been done.

NOW THEREFORE, THIS THIRD SUPPLEMENTAL INDENTURE WITNESSETH:

For and in consideration of the premises and of the covenants contained herein and in the Base Indenture, the Company, Parent and the Trustee covenant and agree, for the equal and proportionate benefit of all Holders of the Notes issued on or after the date of this Third Supplemental Indenture, as follows:

ARTICLE I

DEFINITIONS

Section 1.01 *Relation to Base Indenture.* This Third Supplemental Indenture constitutes an integral part of the Base Indenture.

Section 1.02 *Definitions*. For all purposes of this Third Supplemental Indenture, except as otherwise expressly provided for or unless the context otherwise requires:

(a) Capitalized terms used but not defined herein shall have the respective meanings assigned to them in the Base Indenture;

(b) Terms defined both herein and in the Base Indenture shall have the meanings assigned to them herein;

(c) All references herein to Articles and Sections, unless otherwise specified, refer to the corresponding Articles and Sections of this Third Supplemental Indenture; and

(d) All other terms used in this Third Supplemental Indenture, which are defined in the Trust Indenture Act or which are by reference therein defined in the Securities Act (except as herein otherwise expressly provided or unless the context otherwise requires) shall have the meanings assigned to such terms in said Trust Indenture Act and in said Securities Act as in force at the date of the execution of this Third Supplemental Indenture. The words "herein," "hereof," "hereunder," and words of similar import refer to this Third Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision. The terms defined in this Article include the plural as well as the singular.

"Additional Shares" shall have the meaning specified in Section 8.01(g).

"Board of Directors" means the board of directors of Parent or, if Parent shall be succeeded by a corporation pursuant to Article VII, the board of directors of Parent's corporate successor or any committee of such applicable board of directors duly authorized to act generally or in any particular respect hereunder.

"Business Day" means any day, other than a Saturday or Sunday, or legal holidays on which banks in The City of New York are not authorized or required by law or executive order to be closed.

"cash percentage" shall have the meaning specified in Section 8.02(a)(4).

"cash percentage notice" shall have the meaning specified in Section 8.02(a)(4).

"close of business" means 5:00 p.m. (New York City time).

"Change of Control" shall be deemed to occur upon the consummation of any transaction or event (whether by means of an exchange offer, liquidation, tender offer, consolidation, merger, combination, reclassification, recapitalization or otherwise) in connection with which more than 50% of the shares of Common Stock are exchanged for, converted into, acquired for or constitutes solely the right to receive, consideration which is not at least 90% common stock (or American Depositary Shares representing shares of common stock) that is: (a) listed on, or immediately after the consummation of such transaction or event, will be listed on, a United States national securities exchange or (b) approved, or immediately after such transaction or event will be approved, for listing or quotation on any United States system of automated dissemination of quotations of securities prices.

"Common Stock" means, subject to Section 8.06, the common stock of Parent, par value $0.01 per share, at the date of this Third Supplemental Indenture or shares of any class or classes resulting from any reclassification or reclassifications thereof and that have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation, dissolution or winding up of Parent and that are not subject to redemption by Parent; provided that if at any time there shall be more than one such resulting class, the shares of each such class then so issuable shall be substantially in the proportion which the total number of shares of such class resulting from all such reclassifications bears to the total number of shares of all such classes resulting from all such reclassifications.

"Company" means Prologis, L.P., a Delaware limited partnership, and subject to the provisions of Article VII, shall include its successors and assigns.

"Company Put Right Notice" shall have the meaning specified in Section 9.01(c).

"Company Put Right Notice Date" shall have the meaning specified in Section 9.01(c).

"Daily Exchange Value" means, for each of the 20 consecutive Trading Days during the Observation Period, one-twentieth (1/20) of the product of (a) the applicable Exchange Rate and (b) the Daily VWAP of the Common Stock (or the Reference Property, if applicable) on such day.

"Daily Settlement Amount," for each of the 20 Trading Days during the Observation Period, shall consist of:

(i) cash equal to the lesser of $50 and the Daily Exchange Value relating to such day; and

(ii) if such Daily Exchange Value exceeds $50, a number of shares of Common Stock equal to (A) the difference between such Daily Exchange Value and $50, divided by (B) the Daily VWAP of the shares of Common Stock for such day, subject to the Company's right to deliver cash in lieu of all or a portion of such shares of Common Stock pursuant to Section 8.02(a)(4) hereof.

"Daily VWAP" for the Common Stock means, for each of the 20 consecutive Trading Days during the Observation Period, the per share volume-weighted average price as displayed under the heading "Bloomberg VWAP" on Bloomberg page PLD <equity> AQR in respect of the period from 9:30 a.m. to 4:00 p.m. (New York City time) on such Trading Day (or if such volume-weighted average price is unavailable, the market value of one share of Common Stock on such Trading Day as the Board of Directors determines in good faith using a volume-weighted method).

"Depositary" means, with respect to the Notes issuable or issued in whole or in part in global form, the person specified in the Base Indenture as the Depositary with respect to such Notes, until a successor shall have been appointed and become such pursuant to the applicable provisions of this Third Supplemental Indenture, and thereafter, "Depositary" shall mean or include such successor.

"Distributed Property" shall have the meaning specified in Section 8.04(c).

"Dividend Threshold Amount" shall have the meaning specified in Section 8.04(d).

"Effective Date" shall have the meaning specified in Section 8.01(g)(1).

"Event of Default" means, with respect to the Notes, any event specified in Section 5.01, continued for the period of time, if any, and after the giving of notice, if any, therein designated.

"Ex-Date" means, with respect to any issuance or distribution on the Common Stock or any other equity security, the first date on which the shares of Common Stock or such other equity security trade on the applicable exchange or in the applicable market, regular way, without the right to receive such issuance or distribution.

"Ex-Dividend Date" means, with respect to Section 8.01(e), the first date upon which a sale of the shares of Common Stock does not automatically transfer the right to receive the relevant dividend from the seller of the shares of Common Stock to its buyer.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Exchange Agent" shall mean the Trustee or any successor office or agency where the Notes may be surrendered for exchange.

"Exchange Date" shall have the meaning specified in Section 8.02(c).

"Exchange Obligation" shall have the meaning specified in Section 8.01(a).

"Exchange Price" means as of any date $1,000 divided by the Exchange Rate as of such date.

"Exchange Rate" shall have the meaning specified in Section 8.01(a).

"Exchange Trigger Price" shall have the meaning specified in Section 8.01(c).

"Fundamental Change" means a Change of Control or a Termination of Trading.

"Fundamental Change Company Notice" shall have the meaning specified in Section 9.02(b).

"Fundamental Change Repurchase Date" shall have the meaning specified in Section 9.02(a).

"Fundamental Change Repurchase Notice" shall have the meaning specified in Section 9.02(a)(i).

"Fundamental Change Repurchase Price" shall have the meaning specified in Section 9.02(a).

"Global Note" shall have the meaning specified in Section 2.06(e).

"Independent Securities Dealer" shall have the meaning specified in Section 8.01(b).

"interest" means, when used with reference to the Notes, any interest payable under the terms of the Notes.

"Interest Payment Date" means May 15 and November 15 of each year, beginning on November 15, 2011.

"Last Reported Sale Price" means, with respect to the shares of Common Stock or any other security for which a Last Reported Sale Price must be determined, on any date, the closing sale price per share of the Common Stock or unit of such other security (or, if no closing sale price is reported, the average of the last bid and last ask prices or, if more than one in either case, the average of the average last bid and the average last ask prices) on such date as reported in composite transactions for the principal United States securities exchange on which the Common Stock or such other security is traded. If the Common Stock or such other security is not listed for trading on a United States national or regional securities exchange on the relevant date, the Last Reported Sale Price shall be the last quoted bid price per share of Common Stock or such other security in the over-the-counter market on the relevant date, as reported by the National Quotation Bureau or similar organization. If the shares of Common Stock or such other security are not so quoted, the Last Reported Sale Price shall be the average of the mid-point of the last bid and ask prices per share of Common Stock or such other security on the relevant date from each of at least three nationally recognized independent investment banking firms selected from time to time by the Board of Directors for that purpose. The Last Reported Sale Price shall be determined without reference to extended or after-hours trading.

"Market Disruption Event" means the occurrence or existence for more than a one-half hour period in the aggregate on any scheduled Trading Day for the Common Stock of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the stock exchange or otherwise) in the Common Stock or in any options, contracts or future contracts relating to the Common Stock, and such suspension or limitation occurs or exists at any time before 1:00 p.m. (New York City time) on such day.

“Maturity Date” means May 15, 2038.

“Measurement Period” shall have the meaning specified in Section 8.01(b).

“Merger Event” shall have the meaning specified in Section 8.06.

“Noteholder” or “Holder” or “holder,” as applied to any Note, or other similar terms (but excluding the term “beneficial holder”), means any person in whose name at the time a particular Note is registered on the Security Register.

“Notice of Exchange” shall have the meaning specified in Section 8.02(c).

“Observation Period” means the 20 consecutive Trading Day period beginning on and including the second Trading Day after the related Exchange Date in respect of such Note.

“opening of business” means 9:00 a.m. (New York City time).

“Parent” means Prologis, Inc., a Maryland corporation, and subject to the provisions of Article VII, shall include its successors and assigns.

“Predecessor Note” of any particular Note means every previous Note evidencing all or a portion of the same debt as that evidenced by such particular Note; and, for the purposes of this definition, any Note authenticated and delivered under Section 306 of the Base Indenture in lieu of a lost, destroyed or stolen Note shall be deemed to evidence the same debt as the lost, destroyed or stolen Note that it replaces.

“Put Right Repurchase Date” shall have the meaning assigned to it in Section 9.01(b).

“Put Right Repurchase Notice” shall have the meaning assigned to it in Section 9.01(b)(i).

“Put Right Repurchase Price” shall have the meaning assigned to it in Section 9.01(b).

“Record Date,” with respect to the payment of interest on any Interest Payment Date, shall have the meaning specified in Section 2.03.

“Reference Property” shall have the meaning specified in Section 8.06(b).

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“Settlement Amount” shall have the meaning specified in Section 8.02(a)(1).

“Spin-Off” shall have the meaning specified in Section 8.04(c).

“Stock Price” means the price paid per share of Common Stock in connection with a Fundamental Change pursuant to which Additional Shares shall be added to the Exchange Rate as set forth in Section 8.01(e)(ii) hereof, which shall be equal to (i) if holders of shares of Common Stock receive only cash in such Fundamental Change, the cash amount paid per share

of Common Stock and (ii) in all other cases, the average of the Last Reported Sale Prices of the Common Stock over the five consecutive Trading Day period ending on the Trading Day preceding the Effective Date of the Fundamental Change.

"Termination of Trading" shall be deemed to occur if the Common Stock, or any Common Stock (or American Depositary Receipts in respect of Common Stock) into which the Notes are exchangeable pursuant to the terms of this Third Supplemental Indenture, are not listed for trading on any of the New York Stock Exchange, the NASDAQ Global Market or the NASDAQ Global Select Market (or any of their respective successors).

"Trading Day" means a day during which (i) trading in Common Stock generally occurs, (ii) there is no Market Disruption Event and (iii) a Last Reported Sale Price of the Common Stock (other than a Last Reported Sale Price referred to in the next to last sentence of such definition) is available for such day; *provided* that if the shares of Common Stock are not admitted for trading or quotation on or by any exchange, bureau or other organization referred to in the definition of Last Reported Sale Price (excluding the next to last sentence of that definition), Trading Day shall mean any Business Day.

"Trading Price" with respect to the Notes, on any date of determination, means the average of the secondary market bid quotations obtained by the Company and delivered to the Trustee for $2.0 million principal amount of Notes at approximately 3:30 p.m., New York City time, on such determination date from three independent nationally recognized securities dealers selected by the Company; *provided* that if three such bids cannot reasonably be obtained, but two such bids are obtained, then the average of the two bids shall be used, and if only one such bid can reasonably be obtained, that one bid shall be used. If the Company cannot reasonably obtain at least one bid for $2.0 million principal amount of Notes from a nationally recognized securities dealer, then the Trading Price per $1,000 principal amount of Notes will be deemed to be less than 98% of the product of the Last Reported Sale Price of the Common Stock and the Exchange Rate.

"Trigger Event" shall have the meaning specified in Section 8.04(c).

ARTICLE II

ISSUE, DESCRIPTION, EXECUTION, REGISTRATION AND EXCHANGE OF NOTES

Section 2.01 *Designation and Amount*. The Notes shall be designated as the "2.625% Exchangeable Senior Notes due 2038." The aggregate principal amount of Notes that may be authenticated and delivered under this Third Supplemental Indenture is initially limited to $363,779,000, subject to Section 2.07 and except for Notes authenticated and delivered upon registration or transfer of, or in exchange for, or in lieu of other Notes pursuant to Section 2.06, Section 8.02 and Section 9.02 hereof and Section 306 and Section 906 of to the Base Indenture.

Section 2.02 *Form of Notes*. The Notes, the Guarantee and the Trustee's certificate of authentication to be borne by such Notes shall be substantially in the form set forth in Exhibit A.

Any of the Notes may have such letters, numbers or other marks of identification and such notations, legends or endorsements as the officers executing the same may approve (execution thereof to be conclusive evidence of such approval) and as are not inconsistent with the provisions of this Third Supplemental Indenture, or as may be required by the Depositary, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any securities exchange or automated quotation system on which the Notes may be listed or designated for issuance, or to conform to usage or to indicate any special limitations or restrictions to which any particular Notes are subject.

A Global Note shall represent such principal amount of the Outstanding Notes as shall be specified therein and shall provide that it shall represent the aggregate principal amount of Outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of Outstanding Notes represented thereby may from time to time be increased or reduced to reflect repurchases, conversions, transfers or exchanges permitted hereby. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the amount of Outstanding Notes represented thereby shall be made by the Trustee or the Custodian, at the direction of the Trustee, in such manner and upon instructions given by the Holder of such Notes in accordance with this Third Supplemental Indenture. Payment of principal and accrued and unpaid interest on a Global Note shall be made to the Holder of such Note on the date of payment, unless a Record Date or other means of determining Holders eligible to receive payment is provided for herein.

The terms and provisions contained in the form of Note attached as Exhibit A hereto are incorporated herein and shall constitute, and are hereby expressly made, a part of this Third Supplemental Indenture and to the extent applicable, the Company, Parent and the Trustee, by their execution and delivery of this Third Supplemental Indenture, expressly agree to such terms and provisions and to be bound thereby.

Section 2.03 *Date and Denomination of Notes; Payments of Interest*. The Notes shall be issuable in registered form without coupons in denominations of $1,000 principal amount and integral multiples thereof. Each Note shall be dated the date of its authentication and shall bear interest from the date specified on the face of the form of Note attached as Exhibit A hereto. Interest on the Notes shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

The Person in whose name any Note (or its Predecessor Note) is registered on the Security Register at the close of business on any Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date. Interest shall be payable at the office of the Company maintained by the Company for such purposes in the Borough of Manhattan, City of New York, which shall initially be an office or agency of the Trustee. The Company shall pay interest (i) on any Notes in certificated form by check mailed to the address of the Person entitled thereto as it appears in the Security Register (or upon written application by such Person to the Security Registrar not later than the relevant record date, by wire transfer in immediately available funds to such Person's account within the United States, if such Person is entitled to interest on an aggregate principal in excess of $1,000,000) or (ii) on any Global Note by wire transfer of immediately available funds to the account of the Depositary or its nominee. The term "Record Date" with respect to any Interest

Payment Date shall mean the May 1 or November 1 preceding the applicable May 15 or November 15 Interest Payment Date, respectively.

Section 2.04 *Intentionally Omitted.*

Section 2.05 *Execution, Authentication and Delivery of Notes*. Section 303 of the Base Indenture shall be applicable to the Notes.

Section 2.06 *Exchange and Registration of Transfer of Notes; Restrictions on Transfer; Depositary.*

(a) The Company shall provide for the registration of the Notes and of transfers of the Notes in the Security Register. Upon surrender for registration of transfer of any Note to the Security Registrar or any co-registrar, and satisfaction of the requirements for such transfer set forth in this Section 2.06, the Company shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Notes of any authorized denominations and of a like aggregate principal amount.

Notes may be exchanged for other Notes of any authorized denominations and of a like aggregate principal amount, upon surrender of the Notes to be exchanged at any such office or agency maintained by the Company pursuant to Section 4.02. Whenever any Notes are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Notes which the Noteholder making the exchange is entitled to receive, bearing registration numbers not contemporaneously outstanding.

All Notes presented or surrendered for registration of transfer or for exchange, repurchase or conversion shall (if so required by the Company, the Trustee, the Security Registrar or any co-registrar) be duly endorsed, or be accompanied by a written instrument or instruments of transfer in form satisfactory to the Company and duly executed, by the Noteholder thereof or his attorney-in-fact duly authorized in writing.

No service charge shall be charged to the Noteholder for any exchange or registration of transfer of Notes, but the Company or the Trustee may require payment of a sum sufficient to cover any tax, assessments or other governmental charges that may be imposed in connection therewith.

None of the Company, the Trustee, the Security Registrar or any co-registrar shall be required to exchange or register a transfer of (a) any Notes surrendered for exchange or, if a portion of any Note is surrendered for exchange, such portion thereof surrendered for exchange or (b) any Notes, or a portion of any Note, surrendered for repurchase (and not withdrawn) in accordance with Article IX hereof.

All Notes issued upon any registration of transfer or exchange of Notes in accordance with this Third Supplemental Indenture shall be the valid, binding and legal obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Third Supplemental Indenture as the Notes surrendered upon such registration of transfer or exchange.

(b) *Intentionally Omitted.*

(c) *Intentionally Omitted.*

(d) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this instrument or under applicable law with respect to any transfer of any interest in any Note other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by, the terms of this instrument, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

(e) So long as the Notes are eligible for book-entry settlement with the Depositary, unless otherwise required by law, all Notes shall be represented by one or more Notes in global form (each, a "**Global Note**") registered in the name of the Depositary or the nominee of the Depositary. The transfer and exchange of beneficial interests in a Global Note, which does not involve the issuance of a definitive Note, shall be effected through the Depositary (but not the Trustee or the Custodian) in accordance with this Third Supplemental Indenture (including the restrictions on transfer set forth herein) and the procedures of the Depositary therefor.

Section 2.07 *Additional Notes; Repurchases.* The Company may, without the consent of the Noteholders and notwithstanding Section 2.01, issue additional Notes hereunder with the same terms and with the same CUSIP number as the Notes initially issued hereunder in an unlimited aggregate principal amount, which will form the same series with the Notes initially issued hereunder, provided that no such additional Notes may be issued unless fungible with the Notes initially issued hereunder for United States federal income tax purposes. The Company may also from time to time repurchase the Notes in open market purchases by tender at any price or by private agreement without prior notice to Noteholders.

Section 2.08 *No Sinking Fund.* The provisions of Article Twelve of the Base Indenture shall not be applicable to the Notes. No sinking fund is provided for the Notes.

Section 2.09 *Ranking.* The Notes constitute a senior general obligation of the Company, ranking equally with other existing and future senior and unsubordinated indebtedness of the Company and ranking senior in right of payment to any future indebtedness of the Company that is expressly made subordinate to the Notes by the terms of such indebtedness.

ARTICLE III

REDEMPTION

Section 3.01 *Right to Redeem.*

(a) Notwithstanding any provision of the Base Indenture, as modified by this Third Supplemental Indenture, to the contrary, the Company may redeem the Notes prior to May 15, 2038, in whole, in order to preserve Parent's status as a real estate investment trust under the Code.

(b) Except as provided in Section 3.01(a), the Company may not redeem the Notes prior to May 20, 2013. On or after May 20, 2013, the Company, at its option, may redeem the Notes from time to time in whole or in part.

(c) Any redemption of Notes shall be at a Redemption Price equal to 100% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest; provided, however, that the Company may deduct and withhold from such Redemption Price any amount required to be deducted and withheld under applicable law.

Section 3.02 *Selection of Notes to be Redeemed*.

(a) The provisions of Section 1103 of the Base Indenture shall govern the selection of Notes to be redeemed by the Trustee provided, however, that if less than all of the Notes are to be redeemed, the Trustee shall make the selection from the Notes of that series Outstanding and not previously called for redemption, by lot, or in its discretion, on a pro rata basis.

(b) If any Note selected for partial redemption is exchanged in part before termination of the exchange right with respect to the portion of the Note so selected, the exchanged portion of such Note shall be deemed to be part of the portion selected for redemption. Notes which have been exchanged subsequent to the Trustee commencing selection of Notes to be redeemed but prior to redemption of such Notes shall be treated by the Trustee as Outstanding for the purpose of such selection.

Section 3.03 *Notice of Redemption.* The provisions of Section 1104 of the Base Indenture shall govern notices of redemption of the Notes; provided, however, that in addition to the information specified in Section 1104 of the Base Indenture, notices of redemption of the Notes shall also state:

(a) the then-current Exchange Price;

(b) the name and address of the Exchange Agent;

(c) that Holders who wish to exchange Notes must surrender such Notes for exchange no later than the close of business on the second Business Day immediately preceding the Redemption Date and must satisfy the other requirements set forth herein; and

(d) whether the Company will satisfy its Exchange Obligation with respect to any Notes called for redemption that are surrendered for exchange in cash, shares of Common Stock or both as provided herein; *provided* that the Company may not provide notice of a redemption of Notes at the Company’s option that specifies that the Company will settle exchanges of Notes prior to such redemption in cash and shares of Common Stock unless, at the time of such notice, the Company has available to it a sufficient number of authorized shares of Common Stock to satisfy its Exchange Obligation in respect of the Notes to be redeemed.

ARTICLE IV

PARTICULAR COVENANTS OF THE COMPANY

Section 4.01 *Payment of Principal and Interest.*

(a) Sections 307 and 1001 of the Base Indenture shall apply to the Notes; *provided*, *however*, that, with respect to any Noteholder with an aggregate principal amount in excess of $1,000,000, at the application of such Holder in writing to the Security Registrar not later than the relevant record date, accrued and unpaid interest on such Holder's Notes shall be paid by wire transfer in immediately available funds to such Holder's account in the United States supplied by such Holder from time to time to the Trustee and Paying Agent (if different from Trustee); *provided further* that payment of accrued and unpaid interest made to the Depositary shall be paid by wire transfer in immediately available funds in accordance with such wire transfer instructions and other procedures provided by the Depositary from time to time.

(b) Except as otherwise provided in this Section 4.01(b), a Holder of any Notes at the close of business on a Record Date shall be entitled to receive interest on such Notes on the corresponding Interest Payment Date. A Holder of any Notes as of a Record Date that are exchanged after the close of business on such Record Date and prior to the opening of business on the corresponding Interest Payment Date shall be entitled to receive interest on the principal amount of such Notes, notwithstanding the exchange of such Notes prior to such Interest Payment Date. However, a Holder that surrenders any Notes for exchange between the close of business on a Record Date and the opening of business on the corresponding Interest Payment Date shall be required to pay the Company an amount equal to the interest payable by the Company with respect to such Notes on such Interest Payment Date at the time such Holder surrenders such Notes for exchange, *provided*, *however*, that this sentence shall not apply to a Holder that exchanges Notes:

(i) in respect of which the Company has given notice of redemption pursuant to Section 3.03 on a Redemption Date that is after the relevant Record Date and on or prior to the relevant Interest Payment Date; or

(ii) to the extent of any overdue interest, if any overdue interest exists at the time of exchange with respect to such Notes;

(iii) in connection with a Fundamental Change in which the Company has specified a Fundamental Change Repurchase Date that is after a Record Date and on or prior to the next Interest Payment Date; or

(iv) after 5:00 p.m., New York City time on the Record Date immediately preceding the Maturity Date.

Accordingly, a Holder that exchanges Notes under any of the circumstances described in clauses (i), (ii), (iii) or (iv) above will not be required to pay to the Company an amount equal to the interest payable by the Company with respect to such Notes on the relevant Interest Payment Date.

Section 4.02 *Maintenance of Office or Agency for Exchange Agent*. If at any time the Exchange Agent is not the Trustee or an office or agency designated or appointed by the Trustee, the Company will give prompt written notice to the Trustee of the location of such Exchange Agent. If at any time the Company shall fail to maintain an office or agency for the Exchange Agent, presentations, surrenders, notices and demands related to exchanges of Notes may be made or served at the Corporate Trust Office or the office or agency of the Trustee in the Borough of Manhattan, the City of New York.

Section 4.03 *Intentionally Omitted.*

Section 4.04 *Intentionally Omitted.*

Section 4.05 *Exclusion of Certain Provisions From Base Indenture*. Section 1004, Section 1006, Section 1007, Section 1011 and Article Fourteen of the Base Indenture shall not apply to the Notes. Section 1002, Section 1003, Section 1005, Section 1008, Section 1009, Section 1010 and Section 1012 of the Base Indenture shall be applicable to the Notes.

ARTICLE V

DEFAULTS AND REMEDIES

Section 5.01 *Events of Default*. The provisions of Section 501(2) and Section 501(3) of the Base Indenture shall not be applicable to the Notes. As contemplated under Section 301 and Section 501(9) of the Base Indenture, the following events, in addition to the events described in clauses (1), (4), (5), (6), (7) and (8) of Section 501 of the Base Indenture, shall be Events of Default with respect to the Notes:

(a) default in the payment of principal or premium, if any, of any Note when due and payable on the Maturity Date, upon redemption, repurchase, declaration or otherwise;

(b) failure by the Company to comply with its obligation to exchange the Notes into cash, shares of Common Stock or a combination of cash and shares of Common Stock, as applicable, upon exercise of a Holder's exchange right, and such failure continues for a period of ten days; or

(c) failure by the Company to issue a Fundamental Change Company Notice in accordance with Section 9.02 when due, and such failure continues for a period of two days.

Section 5.02 *Article Five of Base Indenture*. Except as amended by Section 5.01 hereof, all of the provisions of Article Five of the Base Indenture shall be applicable to the Notes.

ARTICLE VI

SUPPLEMENTAL INDENTURES

Section 6.01 *Supplemental Indentures Without Consent of Noteholders*. The provisions of Section 901 of the Base Indenture shall be applicable to the Notes.

Section 6.02 *Modification and Amendment with Consent of Noteholders.* Section 902 of the Base Indenture shall be applicable to the Notes. As contemplated by Sections 301 and 902 of the Base Indenture, no supplemental indenture shall, without the consent of the Holder of each Outstanding Note affected thereby:

(a) make any change that adversely affects the exchange rights of any Notes;

(b) reduce the Fundamental Change Repurchase Price, Redemption Price or Put Right Repurchase Price of any Note, or amend or modify in any manner adverse to Noteholders the Company's obligation to make such payments or Article III or Article IX of this Third Supplemental Indenture, whether through an amendment or waiver of provisions in the covenants, definitions or otherwise.

Section 6.03 *Effect of Supplemental Indentures*. Upon the execution of any supplemental indenture under this Article, the Base Indenture and this Third Supplemental Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Third Supplemental Indenture for all purposes; and every Holder of Notes theretofore or thereafter authenticated and delivered hereunder and of any coupon appertaining thereto shall be bound thereby.

Section 6.04 *Article Nine of Base Indenture.* Except as amended by this Article VI, all of the provisions of Article Nine of the Base Indenture shall be applicable to the Notes.

ARTICLE VII

CONSOLIDATION, MERGER, SALE, CONVEYANCE AND LEASE

Section 7.01 *Company May Consolidate, Etc. on Certain Terms.* Article Eight of the Base Indenture shall be applicable to the Notes.

ARTICLE VIII

EXCHANGE OF NOTES

Section 8.01 *Exchange Privilege*.

(a) Subject to the conditions described in clauses (b) through (f) below and to Section 8.11 hereof, and upon compliance with the provisions of this Article VIII, a Holder of Notes shall have the right, at such Holder's option, to exchange all or any portion (if the portion to be exchanged is $1,000 principal amount or an integral multiple thereof) of such Note at any time prior to the close of business on the scheduled Trading Day immediately preceding February 15, 2013 at a rate (the "Exchange Rate") of 5.8569 shares of Common Stock (subject to adjustment by the Company as provided in Section 8.04) per $1,000 principal amount of Notes (the "Exchange Obligation") under the circumstances and during the periods set forth below. On and after February 15, 2013, regardless of the conditions described in clause (b) through (f) below, upon compliance with the provisions of this Article VIII and subject to Section 8.11 hereof, a Noteholder shall have the right, at such holder's option, to exchange all or any portion (if the portion to be exchanged is $1,000 principal amount or an integral multiple thereof) of

such Note at any time prior to the close of business on the scheduled Trading Day immediately preceding the Maturity Date at an Exchange Rate of 5.8569 shares of Common Stock (subject to adjustment by the Company as provided in Section 8.04) per $1,000 principal amount of Notes.

(b) (1) A Holder of Notes shall have the right, at such Holder's option, to exchange its Notes prior to February 15, 2013, during the five Business Day period immediately after any ten consecutive Trading Day period (the "Measurement Period") in which the Trading Price per $1,000 principal amount of Notes for each day of such Measurement Period was less than 98% of the product of the Last Reported Sale Price of the Common Stock on such date and the Exchange Rate on such date, all as determined by the Trustee in the manner described in the immediately succeeding paragraph. The Trustee shall have no obligation to determine the Trading Price of the Notes unless requested by the Company to do so in writing, and the Company shall have no obligation to make such request unless a Noteholder or Noteholders of at least $1,000,000 aggregate principal amount of Notes provides the Company with reasonable evidence that the Trading Price per $1,000 principal amount of the Notes would be less than 98% of the product of the Last Reported Sale Price at such time and the then-applicable Exchange Rate, at which time the Company shall select three independent nationally recognized securities dealers (each, an "Independent Securities Dealer"), request that the Independent Securities Dealers provide a secondary market quotation for the Notes and provide such determination to the Company and the Trustee in writing, and the Company shall instruct the Independent Securities Dealers to provide a secondary market quotation for the Notes beginning on the next Trading Day and on each successive Trading Day until the Trading Price per $1,000 principal amount of the Notes is greater than or equal to 98% of the product of the Last Reported Sale Price on such date and the then-applicable Exchange Rate. If the Trading Price condition set forth above has been met, the Company shall so notify the Noteholders. If at any time after the Trading Price condition set forth above has been met, the Trading Price per $1,000 principal amount of Notes is greater than 98% of the product of the Last Reported Sale Price on such date and the then-applicable Exchange Rate, the Company shall so notify the Noteholders.

(2) Any request by the Company to the Trustee for a determination of the Trading Price and whether the Trading Price condition set forth in the first sentence of the immediately preceding paragraph has been met shall be accompanied by an Officers' Certificate setting forth, for each day of determination (as identified in such Certificate), the name of the Independent Securities Dealers providing the secondary market bid quotations, a statement certifying that that such dealers are "Independent Securities Dealers" as required in this Section 8.01, the secondary market bid quotations obtained from such Independent Securities Dealers (a copy of which will be attached to such Officers' Certificate), the Company's calculation of the Trading Price for such date. The Trustee shall be entitled to conclusively rely, without independent verification, on the quotations provided by the Company in making its determinations hereunder. On the basis of such quotations, the Trustee shall determine the Trading Price of the Notes, and provide such determination to the Company. Absent manifest error, the Trustee's determination of the Trading Price will be binding on the Company. Unless and until a Responsible Officer of the Trustee shall have received a request from the Company for determination of the Trading Price for the Notes and the Officers' Certificate contemplated herein, the Trustee shall have no obligation to make any determination of the Trading Price of the Notes or whether the Trading Price condition has been met.

(c) A Holder of Notes shall have the right, at such Holder's option, to exchange Notes during any calendar quarter after the quarter ended June 30, 2011, and only during such calendar quarter, if the Last Reported Sale Price for the Common Stock for at least 20 Trading Days during the period of 30 consecutive Trading Days ending on the last Trading Day of the previous calendar quarter exceeds 130% of the Exchange Price (the "Exchange Trigger Price") on such last Trading Day, which Exchange Price shall be subject to adjustment in accordance with this Article VIII. The Exchange Agent shall, on the Company's behalf, determine at the beginning of each calendar quarter whether the Notes are exchangeable as a result of the price of the Common Stock as contemplated in the previous sentence and notify the Company and the Trustee.

(d) In the event that the Company has delivered a notice of redemption in accordance with Section 1104 of the Base Indenture and Section 3.03 of this Third Supplemental Indenture to the Holders of Notes, a Holder of Notes may exchange Notes at any time prior to the close of business on the second Business Day immediately preceding the corresponding Redemption Date; *provided*, *however*, that a Holder who has already delivered a Fundamental Change Repurchase Notice with respect to a Note may not exchange such Note until the Holder has withdrawn the Fundamental Change Repurchase Notice in accordance with the terms of the Note and this Third Supplemental Indenture.

(e) (i) In the event that the Company or Parent elects to:

(A) distribute to all or substantially all holders of Common Stock rights entitling them to purchase, for a period expiring within 60 days, shares of Common Stock at a price less than the Last Reported Sale Price of the Common Stock for the Trading Day immediately preceding the declaration date of such distribution; or

(B) distribute to all or substantially all holders of shares of Common Stock assets or debt securities of the Company or Parent or rights to purchase the Company's or Parent's securities, which distribution has a per share value (as determined by the Board of Directors) exceeding 15% of the Last Reported Sale Price of the Common Stock on the day immediately preceding the date of declaration of such distribution,

then, in either case, Holders may surrender the Notes for exchange at any time on and after the date that the Company provides notice to Holders referred to in the next sentence until the earlier of the close of business on the Business Day immediately preceding the Ex-Dividend Date for such distribution or the date the Company announces that such distribution will not take place. The Company shall notify Holders of any distribution referred to in either clause (A) or clause (B) above and of the resulting exchange right no later than the 35th Business Day prior to the Ex-Dividend Date for such distribution.

(ii) If the Company is a party to any transaction or event that constitutes a Fundamental Change, a Holder may surrender Notes for exchange at any time from and after the 30th scheduled Trading Day prior to the anticipated Effective Date of such transaction or event until the related Fundamental Change Repurchase Date and, upon such surrender, the Holder shall be entitled to the increase in the Exchange Rate, if any, specified in Section 8.01(g). The Company shall give notice to all record Noteholders

and the Trustee and issue a press release of the Fundamental Change no later than 30 scheduled Trading Days prior to the anticipated Effective Date of the Fundamental Change.

(iii) If Parent is a party to a consolidation, merger, binding share exchange or sale or conveyance of all or substantially all of its properties and assets, in each case pursuant to which the shares of Common Stock would be exchanged into cash, securities and/or other property, then the Holders shall have the right to exchange Notes at any time beginning fifteen calendar days prior to the date announced by the Company as the anticipated effective date of the transaction and until and including the date that is fifteen calendar days after the date that is the effective date of such transaction; *provided* such transaction does not otherwise constitute a Fundamental Change to which the provisions of Section 8.01(e)(ii) shall apply. The Company shall give notice to all record Noteholders and the Trustee and issue a press release at least 20 calendar days prior to the anticipated effective date of such transaction. If the Board of Directors determines the anticipated effective date of the transaction, such determination shall be conclusive and binding on the Holders.

(f) The Notes shall be exchangeable at any time beginning on the first Business Day after any 30 consecutive Trading Day period during which the Common Stock is not listed on a United States national securities exchange.

(g) (1) If a Noteholder elects to exchange Notes in connection with a Fundamental Change that occurs prior to May 20, 2013, the Exchange Rate applicable to each $1,000 principal amount of Notes so exchanged shall be increased by an additional number of shares of Common Stock (the "Additional Shares") as described below. Settlement of Notes tendered for exchange to which Additional Shares shall be added to the Exchange Rate as provided in this subsection shall be settled pursuant to Section 8.02 below, as applicable. For purposes of this Section 8.01(g), an exchange shall be deemed to be "in connection with" a Fundamental Change to the extent that the related exchange notice is delivered during the time period beginning on the 30th Trading Day prior to the anticipated Effective Date of such Fundamental Change and ending on the related Fundamental Change Repurchase Date, inclusive (regardless of whether the provisions of clauses (b), (c), (d), (e) or (f) of this Section 8.01 shall apply to such exchange). Such exchange notice shall indicate that the Holder of Notes has elected to exchange Notes in connection with a Fundamental Change; provided, however, that the failure to so indicate shall not in any way affect the Exchange Obligation or the right of such Holder to receive Additional Shares in connection with such exchange.

(i) The number of Additional Shares by which the Exchange Rate will be increased shall be determined by reference to the table attached as Schedule A hereto, based on the date on which the Fundamental Change occurs or becomes effective (the "Effective Date"), and the Stock Price; *provided*, that if the Stock Price is between two Stock Price amounts in the table or the Effective Date is between two Effective Dates in the table, the number of Additional Shares shall be determined by a straight-line interpolation between the number of Additional Shares set forth for the next higher and next lower Stock Price amounts and the two nearest Effective Dates, as applicable, based on a 365-day year; *provided further* that if (1) the Stock Price is greater than $268.82 per

share of Common Stock (subject to adjustment in the same manner as set forth in Section 8.04), no Additional Shares will be added to the Exchange Rate, and (2) the Stock Price is less than $140.82 per share of Common Stock (subject to adjustment in the same manner as set forth in Section 8.04), no Additional Shares will be added to the Exchange Rate. Notwithstanding the foregoing, in no event will the total number of shares of Common Stock issuable upon exchange exceed 7.1015 per $1,000 principal amount of Notes (subject to adjustment in the same manner as set forth in clauses (a), (b) and (c) of Section 8.04).

(ii) The Stock Prices set forth in the first row of the table in Schedule A hereto shall be adjusted as of any date on which the Exchange Rate of the Notes is adjusted. The adjusted Stock Prices shall equal the Stock Prices applicable immediately prior to such adjustment, multiplied by a fraction, the numerator of which is the Exchange Rate in effect immediately prior to the adjustment giving rise to the Stock Price adjustment and the denominator of which is the Exchange Rate as so adjusted. The number of Additional Shares within the table shall be adjusted in the same manner as the Exchange Rate as set forth in Section 8.04 (other than by operation of an adjustment to the Exchange Rate by adding Additional Shares).

Section 8.02 *Exchange Procedures*.

(a) (1) The Company shall settle its Exchange Obligations as described in Section 8.02(a)(3), unless, within the applicable time period specified in this Section 8.02(a)(1), the Company elects to settle its Exchange Obligations as described in Section 8.02(a)(2) or Section 8.02(a)(4). The cash and/or shares of Common Stock which the Company is required to deliver in accordance with this Section 8.02 in settlement of its Exchange Obligations is referred to herein as the "Settlement Amount." If the Company desires to settle its Exchange Obligations as described in Section 8.02(a)(2) or Section 8.02(a)(4), the Company shall notify each exchanging Noteholder by notice to the Trustee (for further distribution to Noteholders) of the method the Company will choose to satisfy its Exchange Obligations no later than the second Trading Day immediately following the Company's receipt of a Notice of Exchange from such Holder, and such notice shall specify the section of this Third Supplemental Indenture pursuant to which the Company is electing to satisfy its exchange obligations; provided, however, that the Company shall have the right to irrevocably elect, in its sole discretion and without the consent of Noteholders, by notice to the Trustee (for further distribution to Noteholders), on or prior to February 15, 2013, to settle all of its future Exchange Obligations entirely in shares of Common Stock as described in Section 8.02(a)(2), and provided further, that the Company is required to settle all exchanges with an Exchange Date occurring on or after February 15, 2013 in the same manner, and the Company shall notify Noteholders by notice to the Trustee (for further distribution to Noteholders) of the manner of settlement (including specifying the applicable section of this Third Supplemental Indenture that describes such manner of settlement) on or before such date. The Company shall treat all Noteholders exchanging on the same Trading Day in the same manner; however, the Company shall not have any obligation to settle its Exchange Obligations arising on different Trading Days in the same manner, except for exchanges with an Exchange Date occurring on or after February 15, 2013, which shall all be satisfied in the same manner.

(2) If the Company has elected, within the applicable time periods specified in Section 8.02(a)(1), to settle its Exchange Obligations as described in this Section 8.02(a)(2), the Company shall have the right to settle its Exchange Obligations entirely in shares of Common Stock. If the Company elects to satisfy its Exchange Obligation entirely in shares of Common Stock, the Company shall deliver a number of shares of Common Stock equal to (i) the aggregate principal amount of Notes to be exchanged divided by $1,000, multiplied by (ii) the applicable Exchange Rate (which shall include any increases to reflect any Additional Shares that such Holder is entitled to receive pursuant to Section 8.01(g) above). The Company shall deliver such shares of Common Stock as soon as practicable after it has notified the exchanging Holder, pursuant to Section 8.02(a)(1) above, that it has elected to satisfy its Exchange Obligation entirely in shares of Common Stock.

(3) If the Company does not elect, within the applicable time periods specified in Section 8.02(a)(1), to settle its Exchange Obligations as described in Section 8.02(a)(2) or 8.02(a)(4), the Company shall settle its Exchange Obligations as described in this Section 8.02(a)(3), subject to Section 8.02(b) hereof. The Company shall deliver in respect of each $1,000 principal amount of Notes being exchanged a Settlement Amount equal to the sum of the Daily Settlement Amounts for each of the 20 consecutive Trading Days during the Observation Period, on the third Trading Day immediately following the last day of the related Observation Period; provided that the Company will deliver cash in lieu of fractional shares of Common Stock as set forth pursuant to clause (k) below. The Daily Settlement Amounts shall be determined by the Company promptly following the last day of the Observation Period.

(4) If the Company has elected, within the applicable time periods specified in Section 8.02(a)(1), to settle its Exchange Obligations as described in this Section 8.02(a)(4), the Company shall have the right to settle all or a portion of the amount by which the Daily Exchange Value exceeds $50 in cash in accordance with this Section 8.02(a)(4). In such case, the Company shall specify a percentage of the amount by which the Daily Exchange Value exceeds $50 that will be settled in cash, or the "cash percentage." The Company will inform exchanging Holders by notice to the Trustee (for further distribution to Noteholders) no later than two Trading Days prior to the first day of the applicable Observation Period if it elects to pay cash upon exchange of the Notes and shall specify in such notice (the "cash percentage notice") the applicable cash percentage. If the Company elects to specify a cash percentage, the amount of cash that the Company shall deliver in respect of each Trading Day in the applicable Observation Period shall equal the product of (w) the cash percentage and (x) the amount by which the Daily Exchange Value exceeds $50 for such Trading Day. The number of shares of Common Stock deliverable in respect of each Trading Day in the applicable Observation Period shall equal (i) the product of (y) 100% minus the cash percentage and (z) the amount by which the Daily Exchange Value exceeds $50 for such Trading Day, divided by (ii) the Daily VWAP of the Common Stock for such Trading Day. If the Company does not specify a cash percentage, it must settle the entire amount by which the Daily Exchange Value exceeds $50 with shares of Common Stock pursuant to Section 8.02(a)(3) above; provided, however, that the Company will deliver cash in lieu of fractional shares of Common Stock as set forth pursuant to clause (k) below. If the

Company specifies a cash percentage, the Company shall satisfy its Exchange Obligation by delivering, on the third Trading Day immediately following the last day of the related Observation Period, the amount of cash and the number of shares of Common Stock deliverable pursuant to this Section 8.02(a)(4).

(b) Notwithstanding Section 8.02(a), the Company shall satisfy the Exchange Obligation with respect to each $1,000 principal amount of Notes tendered for exchange to which Additional Shares shall be added to the Exchange Rate as set forth in Section 8.01(g) pursuant to this clause (b).

(A) If the last day of the applicable Observation Period related to Notes surrendered for exchange is prior to the third Trading Day preceding the Effective Date of the Fundamental Change, the Company will satisfy the related Exchange Obligation with respect to each $1,000 principal amount of Notes tendered for exchange as described in Section 8.01(a) by delivering the amount of cash and shares of Common Stock, if any (based on the Exchange Rate, but without regard to the number of Additional Shares to be added to the Exchange Rate pursuant to Section 8.01(g)) on the third Trading Day immediately following the last day of the applicable Observation Period. In addition, as soon as practicable following the Effective Date of the Fundamental Change, the Company will deliver the increase in such amount of cash and Reference Property deliverable in lieu of shares of Common Stock, if any, as if the Exchange Rate had been increased by such number of Additional Shares during the related Observation Period (and based upon the related Daily VWAP prices during such Observation Period). If such increased amount of cash and Common Stock, if any, results in an increase to the amount of cash to be paid to Holders, the Company will pay such increase in cash, and if such increased amount results in an increase to the number of shares of Common Stock, the Company will deliver such increase by delivering Reference Property based on such increased number of shares.

(B) If the last day of the applicable Observation Period related to Notes surrendered for exchange is on or following the third scheduled Trading Day preceding the Effective Date of such Fundamental Change, the Company will satisfy the Exchange Obligation with respect to each $1,000 principal amount of Notes tendered for exchange as described in Section 8.01(a) (based on the Exchange Rate as increased by the Additional Shares pursuant to Section 8.01(g) above) on the later to occur of (x) the Effective Date of the Fundamental Change and (y) the third Trading Day immediately following the last day of the applicable Observation Period.

(c) Before any Holder of a Note shall be entitled to exchange the same as set forth above, such Holder shall (1) in the case of a Global Note, comply with the procedures of the Depositary in effect at that time and, if required, pay funds equal to interest payable on the next Interest Payment Date to which such Holder is not entitled as set forth in Section 4.01(b) and Section 8.02(i) and, if required, pay all taxes or duties, if any, and (2) in the case of a Note issued in certificated form, (A) complete and manually sign and deliver an irrevocable written notice to the Exchange Agent in the form on the reverse of such certificated Note (or a facsimile thereof) (a "Notice of Exchange") at the office of the Exchange Agent and shall state in writing therein the principal amount of Notes to be exchanged and the name or names (with addresses) in

which such Holder wishes the certificate or certificates for any shares of Common Stock, if any, to be delivered upon settlement of the Exchange Obligation to be registered, (B) surrender such Notes, duly endorsed to the Company or in blank (and accompanied by appropriate endorsement and transfer documents), at the office of the Exchange Agent, (C) if required, pay funds equal to interest payable on the next Interest Payment Date to which such Holder is not entitled as set forth in Section 4.01(b) and Section 8.02(i), and (D) if required, pay all taxes or duties, if any. A Note shall be deemed to have been exchanged immediately prior to the close of business on the date (the "Exchange Date") that the Holder has complied with the requirements set forth in this Section 8.02(c).

No Notice of Exchange with respect to any Notes may be tendered by a Holder thereof if such Holder has also tendered a Put Right Repurchase Notice or a Fundamental Change Repurchase Notice and not validly withdrawn such Put Right Repurchase Notice or Fundamental Change Repurchase Notice in accordance with the applicable provisions of Section 9.01 or 9.02, as the case may be.

If more than one Note shall be surrendered for exchange at one time by the same Holder, the Exchange Obligation with respect to such Notes, if any, that shall be payable upon exchange shall be computed on the basis of the aggregate principal amount of the Notes (or specified portions thereof to the extent permitted thereby) so surrendered.

(d) Delivery of the amounts owing in satisfaction of the Exchange Obligation shall be made by the Company in no event later than the date specified in Section 8.02(a), except to the extent specified in Section 8.02(b). The Company shall make such delivery by paying the cash amount owed to the Exchange Agent or to the Holder of the Note surrendered for exchange, or such Holder's nominee or nominees, and by issuing, or causing to be issued, and delivering to the Exchange Agent or to such Holder, or such Holder's nominee or nominees, certificates or a book-entry transfer through the Depositary for the number of full shares of Common Stock to which such Holder shall be entitled as part of such Exchange Obligation (together with any cash in lieu of fractional shares).

(e) In case any Note shall be surrendered for partial exchange, the Company shall execute and the Trustee shall authenticate and deliver to or upon the written order of the Holder of the Note so surrendered, without charge to such Holder, a new Note or Notes in authorized denominations in an aggregate principal amount equal to the unexchanged portion of the surrendered Notes.

(f) If a Holder submits a Note for exchange, the Company shall pay all stamp and other duties, if any, which may be imposed by the United States or any political subdivision thereof or taxing authority thereof or therein with respect to the issuance of shares of Common Stock, if any, upon the exchange. However, the Holder shall pay any such tax that is due because the Holder requests any shares of Common Stock to be issued in a name other than the Holder's name. The Exchange Agent may refuse to deliver the certificates representing the shares of Common Stock being issued in a name other than the Holder's name until the Trustee receives a sum sufficient to pay any tax which will be due because the shares are to be issued in a name other than the Holder's name. Nothing herein shall preclude any tax withholding required by law or regulations.

(g) Except as provided in Section 8.04, no adjustment shall be made for dividends on any shares issued upon the exchange of any Note as provided in this Article.

(h) Upon the exchange of an interest in a Global Note, the Trustee, or the Custodian at the direction of the Trustee, shall make a notation on such Global Note as to the reduction in the principal amount represented thereby. The Company shall notify the Trustee in writing of any exchange of Notes effected through any Exchange Agent other than the Trustee.

(i) Upon exchange, a Noteholder will not receive any separate cash payment for accrued and unpaid interest, except as set forth below. The Company's settlement of its Exchange Obligation as described above shall be deemed to satisfy its obligation to pay the principal amount of the Note and accrued and unpaid interest to, but not including, the Exchange Date. As a result, accrued and unpaid interest to, but not including, the Exchange Date shall be deemed to be paid in full rather than cancelled, extinguished or forfeited. Notwithstanding the preceding sentence, if Notes are exchanged after the close of business on a Record Date, Holders of such Notes as of the close of business on the Record Date will receive the interest payable on such Notes on the corresponding Interest Payment Date notwithstanding the exchange. Notes surrendered for exchange during the period from the close of business on any regular Record Date to the opening of business on the corresponding Interest Payment Date must be accompanied by payment of an amount equal to the interest payable on the Notes so exchanged; *provided*, *however*, that no such payment need be made (1) if the Company has called the Notes for redemption or (2) to the extent of any overdue interest existing at the time of exchange with respect to such Note, (3) to Notes surrendered for exchange in connection with a Fundamental Change in which the Company has specified a Fundamental Change Repurchase Date that is after a Record Date and on or prior to the next Interest Payment Date, or (4) to Notes surrendered for exchange after 5:00 p.m., New York City time on the Record Date immediately preceding the Maturity Date. Except as described above, no payment or adjustment will be made for accrued interest on exchanged Notes.

(j) The Person in whose name the certificate for any shares of Common Stock issued upon exchange is registered shall be treated as a stockholder of record on and after the Exchange Date; provided, however, that no surrender of Notes on any date when the stock transfer books of the Company shall be closed shall be effective to constitute the Person or Persons entitled to receive the shares of Common Stock upon such exchange as the record holder or holders of such shares of Common Stock on such date, but such surrender shall be effective to constitute the Person or Persons entitled to receive such shares of Common Stock as the record holder or holders thereof for all purposes at the close of business on the next succeeding day on which such stock transfer books are open; such exchange shall be at the Exchange Rate in effect on the date that such Notes shall have been surrendered for exchange, as if the stock transfer books of the Company had not been closed. Upon exchange of Notes, such Person shall no longer be a Noteholder.

(k) No fractional shares of Common Stock shall be issued upon exchange of any Note or Notes. If more than one Note shall be surrendered for exchange at one time by the same Holder, the number of full shares that shall be issued upon exchange thereof shall be computed on the basis of the aggregate principal amount of the Notes (or specified portions thereof) so surrendered. Instead of any fractional share of Common Stock that would otherwise

be issued upon exchange of any Note or Notes (or specified portions thereof), the Company shall pay a cash adjustment in respect of such fraction (calculated to the nearest one-100th of a share) in an amount equal to the same fraction of the Last Reported Sale Price of the Common Stock on the last day of the applicable Observation Period.

(l) Reserved.

Section 8.03 *Reserved*.

Section 8.04 *Adjustment of Exchange Rate*. The Exchange Rate shall be adjusted from time to time by the Company as follows:

(a) In case Parent shall issue Common Stock as a dividend or distribution to holders of the outstanding Common Stock, or shall effect a subdivision into a greater number of shares of Common Stock or combination into a lesser number of shares of Common Stock, the Exchange Rate shall be adjusted based on the following formula:

$$ER' = ER_0 \times \frac{OS'}{OS_0}$$

where

ER_0 = the Exchange Rate in effect immediately prior to the Ex-Date for such dividend or distribution or the effective date of such share split or combination, as the case may be;

ER' = the Exchange Rate in effect as of the Ex-Date for such dividend or distribution or the effective date of such share split or combination, as the case may be;

OS_0 = the number of shares of Common Stock outstanding immediately prior to such event; and

OS' = the number of shares of Common Stock outstanding immediately after such event.

Such adjustment shall become effective immediately after 9:00 a.m., New York City time, on the Business Day following the record date fixed for such determination. If any dividend or distribution of the type described in this Section 8.04(a) is declared but not so paid or made, or the outstanding shares of Common Stock are not subdivided or combined, as the case may be, the Exchange Rate shall be immediately readjusted, effective as of the date the Board of Directors determines not to pay such dividend or distribution, or subdivide or combine the outstanding shares of Common Stock, as the case may be, to the Exchange Rate that would then be in effect if such dividend, distribution, subdivision or combination had not been declared.

(b) In case Parent shall issue to all or substantially all holders of its outstanding Common Stock any rights, warrants or convertible securities entitling them (for a period expiring within sixty (60) calendar days after the issuance thereof) to subscribe for or purchase shares of Common Stock at a price per share less than the Last Reported Sale Price of the Common Stock on the Business Day immediately preceding the date of announcement of such issuance, the Exchange Rate shall be adjusted based on the following formula:

$$ER' = ER_0 \times \frac{OS_0 + X}{OS_0 + Y}$$

where

ER_0 = the Exchange Rate in effect immediately prior to the Ex-Date for such distribution;

ER' = the Exchange Rate in effect as of the Ex-Date for such distribution;

OS_0 = the number of shares of Common Stock outstanding immediately prior to such event;

X = the total number of shares of Common Stock issuable pursuant to such rights, warrants or convertible securities; and

Y = the number of shares of Common Stock equal to the aggregate price payable to exercise such rights, warrants or convertible securities divided by the average of the Last Reported Sale Prices per share of Common Stock over the ten consecutive Trading Day period ending on the Business Day immediately preceding the record date (or, if later, the Ex-Date relating to such distribution) for the issuance of such rights, warrants or convertible securities.

Such adjustment shall be successively made whenever any such rights, warrants or convertible securities are issued and shall become effective immediately after 9:00 a.m., New York City time, on the Business Day following the date fixed for such determination. If such rights, warrants or convertible securities are not so exercised prior to their expiration, the Exchange Rate shall again be adjusted to be the Exchange Rate that would then be in effect if such record date for such distribution had not been fixed.

In determining whether any rights, warrants or convertible securities entitle the holder thereof to subscribe for or purchase shares of Common Stock at a price per share less than the Last Reported Sale Price of the Common Stock on the Business Day immediately preceding the date of announcement of such issuance, and in determining the aggregate offering price of such shares of Common Stock, there shall be taken into account any consideration received by Parent for such rights, warrants or convertible securities and any amount payable on exercise or conversion thereof, the value of such consideration, if other than cash, to be determined by the Board of Directors.

(c) In case Parent shall distribute to all or substantially all holders of its Common Stock shares of Capital Stock, evidences of its indebtedness or other assets or property of Parent (including securities, but excluding dividends and distributions covered by Section 8.04(a), Section 8.04(b) or Section 8.04(d) and distributions described below in this paragraph (c) with respect to Spin-Offs) (any of such shares of Capital Stock, indebtedness, or other asset or property hereinafter in this Section 8.04(c) called the "Distributed Property"), then, in each such case the Exchange Rate shall be adjusted based on the following formula:

$$ER' = ER_0 \times \frac{SP_0}{SP_0 - FMV}$$

where

ER_0 = the Exchange Rate in effect immediately prior to the Ex-Date for such distribution;

ER' = the Exchange Rate in effect as of the Ex-Date for such distribution;

SP_0 = the average of the Last Reported Sale Prices of the Common Stock over the ten consecutive Trading Day period ending on the Business Day immediately preceding the record date for such distribution (or, if earlier, the Ex-Date relating to such distribution); and

FMV= the fair market value (as determined by the Board of Directors) of the Distributed Property distributed with respect to each outstanding share of Common Stock on the record date for such distribution (or, if earlier, the Ex-Date relating to such distribution).

Such adjustment shall become effective immediately prior to 9:00 a.m., New York City time, on the Business Day following the date fixed for the determination of stockholders entitled to receive such distribution; *provided* that if the then fair market value (as so determined) of the portion of the Distributed Property so distributed applicable to one share of Common Stock is equal to or greater than SP0 as set forth above, in lieu of the foregoing adjustment, adequate provision shall be made so that each Noteholder shall have the right to receive, for each $1,000 principal amount of Notes upon exchange, the amount of Distributed Property such Holder would have received had such Holder owned a number of shares of Common Stock equal to the Exchange Rate on the record date. If such dividend or distribution is not so paid or made, the Exchange Rate shall again be adjusted to be the Exchange Rate that would then be in effect if such dividend or distribution had not been declared. If the Board of Directors determines the fair market value of any distribution for purposes of this Section 8.04(c) by reference to the actual or when issued trading market for any securities, it must in doing so consider the prices in such market over the same period used in determining SP0 above.

With respect to an adjustment pursuant to this Section 8.04(c) where there has been a payment of a dividend or other distribution on the Common Stock in shares of Capital Stock, or similar equity interest, of or relating to a Subsidiary or other business unit (a "Spin-Off"), unless the Company or Parent distributes such shares of Capital Stock or equity interests to each Noteholder on the same basis as such Noteholder would have received had it exchanged its Notes solely into shares of Common Stock immediately prior to such dividend or distribution, the Exchange Rate in effect immediately before 5:00 p.m., New York City time, on the Record Date fixed for determination of stockholders entitled to receive the distribution will be increased based on the following formula:

$$ER' = ER_0 \times \frac{FMV_0 + MP_0}{MP_0}$$

where

ER_0 = the Exchange Rate in effect immediately prior to such distribution;

ER' = the Exchange Rate in effect immediately after such distribution;

FMV_0 = the average of the Last Reported Sale Prices of the Capital Stock or similar equity interest distributed to holders of shares of Common Stock applicable to one share of Common Stock over the first ten consecutive Trading Day period after the effective date of the Spin-Off; and

MP_0 = the average of the Last Reported Sale Prices of the Common Stock over the first ten consecutive Trading Day period after the effective date of the Spin-Off.

Such adjustment shall occur on the tenth Trading Day from, and including, the effective date of the Spin-Off; provided that in respect of any exchange within the ten Trading Days following any Spin-Off, references within this paragraph (c) to ten days shall be deemed replaced with such lesser number of Trading Days as have elapsed between such Spin-Off and the Exchange Date in determining the applicable Exchange Rate.

Rights or warrants distributed by Parent to all holders of Common Stock, entitling the holders thereof to subscribe for or purchase shares of Common Stock (either initially or under certain circumstances), which rights or warrants, until the occurrence of a specified event or events ("Trigger Event"): (i) are deemed to be transferred with such shares of Common Stock; (ii) are not exercisable and (iii) are also issued in respect of future issuances of shares of Common Stock, shall be deemed not to have been distributed for purposes of this Section 8.04 (and no adjustment to the Exchange Rate under this Section 8.04 will be required) until the occurrence of the earliest Trigger Event, whereupon such rights and warrants shall be deemed to have been distributed and an appropriate adjustment (if any is required) to the Exchange Rate shall be made under this Section 8.04(c). If any such right or warrant, including any such existing rights or warrants distributed prior to the date of this Third Supplemental Indenture, are subject to events, upon the occurrence of which such rights or warrants become exercisable to purchase different securities, evidences of indebtedness or other assets, then the date of the occurrence of any and each such event shall be deemed to be the date of distribution and record date with respect to new rights or warrants with such rights (and a termination or expiration of the existing rights or warrants without exercise by any of the holders thereof). In addition, in the event of any distribution (or deemed distribution) of rights or warrants, or any Trigger Event or other event (of the type described in the preceding sentence) with respect thereto that was counted for purposes of calculating a distribution amount for which an adjustment to the Exchange Rate under this Section 8.04 was made, (1) in the case of any such rights or warrants that shall all have been redeemed or repurchased without exercise by any holders thereof, the Exchange Rate shall be readjusted upon such final redemption or repurchase to give effect to such distribution or Trigger Event, as the case may be, as though it were a cash distribution, equal to the per share redemption or repurchase price received by a holder or holders of Common

Stock with respect to such rights or warrants (assuming such holder had retained such rights or warrants), made to all holders of Common Stock as of the date of such redemption or repurchase, and (2) in the case of such rights or warrants that shall have expired or been terminated without exercise by any holders thereof, the Exchange Rate shall be readjusted as if such rights and warrants had not been issued.

For purposes of this Section 8.04(c), Section 8.04(a) and Section 8.04(b), any dividend or distribution to which this Section 8.04(c) is applicable that also includes shares of Common Stock to which Section 8.04(a) applies or rights or warrants to subscribe for or purchase shares of Common Stock to which Section 8.04(a) or Section 8.04(b) applies (or both), shall be deemed instead to be (1) a dividend or distribution of the evidences of indebtedness, assets or shares of Capital Stock other than such shares of Common Stock or rights or warrants to which Section 8.04(c) applies (and any Exchange Rate adjustment required by this Section 8.04(c) with respect to such dividend or distribution shall then be made) immediately followed by (2) a dividend or distribution of such shares of Common Stock or such rights or warrants (and any further Exchange Rate adjustment required by Section 8.04(a) and Section 8.04(b) with respect to such dividend or distribution shall then be made), except (A) the record date of such dividend or distribution shall be substituted as "the record date" and "the date fixed for such determination" within the meaning of Section 8.04(a) and Section 8.04(b) and (B) any shares of Common Stock included in such dividend or distribution shall not be deemed "outstanding immediately prior to such event" within the meaning of Section 8.04(a).

(d) In case Parent shall pay a dividend or make a distribution consisting exclusively of cash to all or substantially all holders of its Common Stock to the extent that the aggregate of all such cash dividends or distributions paid in any quarter exceeds the Dividend Threshold Amount for such quarter, the Exchange Rate shall be adjusted based on the following formula:

$$ER' = ER_0 \times \frac{SP_0 - T}{SP_0 - C}$$

where

ER_0 = the Exchange Rate in effect immediately prior to the Ex-Date for such distribution;

ER' = the Exchange Rate in effect as of the Ex-Date for such distribution;

SP_0 = the average of the Last Reported Sale Prices of the Common Stock over the period of ten consecutive Trading Days ending the Business Day immediately preceding the record date (as defined in clause (f) of this Section) for such distribution (or, if earlier, the Ex-Date relating to such distribution);

T = the dividend threshold amount ("Dividend Threshold Amount"), which amount shall initially be $1.1593 per quarter and which shall be appropriately adjusted from time to time for any stock dividends on, or subdivisions or combinations of, Common Stock; *provided*, that if an Exchange Rate adjustment is required to be made as a result of a

distribution that is not a quarterly dividend either in whole or in part, the Dividend Threshold Amount shall be deemed to be zero; and

C = the amount in cash per share that Parent distributes to holders of Common Stock.

Such adjustment shall become effective immediately after 5:00 p.m., New York City time, on the record date for such dividend or distribution*provided* that if the portion of the cash so distributed applicable to one share of Common Stock is equal to or greater than SP_0 above, in lieu of the foregoing adjustment, adequate provision shall be made so that each Noteholder shall have the right to receive upon exchange of a Note (or any portion thereof) the amount of cash such Holder would have received had such Holder owned a number of shares equal to the Exchange Rate on the record date. If such dividend or distribution is not so paid or made, the Exchange Rate shall again be adjusted to be the Exchange Rate that would then be in effect if such dividend or distribution had not been declared.

For the avoidance of doubt, for purposes of this Section 8.04(d), in the event of any reclassification of the Common Stock, as a result of which the Notes become exchangeable into more than one class of Common Stock, if an adjustment to the Exchange Rate is required pursuant to this Section 8.04(d), references in this Section to one share of Common Stock or Last Reported Sale Price of one share of Common Stock shall be deemed to refer to a unit or to the price of a unit consisting of the number of shares of each class of Common Stock into which the Notes are then exchangeable equal to the number of shares of such class issued in respect of one share of Common Stock in such reclassification. The above provisions of this paragraph shall similarly apply to successive reclassifications.

(e) In case Parent or any of its Subsidiaries makes a payment in respect of a tender offer or exchange offer for all or any portion of the shares of Common Stock, to the extent that the cash and value of any other consideration included in the payment per share of Common Stock exceeds the Last Reported Sale Price of the Common Stock on the Trading Day next succeeding the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer (as it may be amended), the Exchange Rate shall be increased based on the following formula:

$$ER' = ER_0 \quad x \quad \frac{AC + (SP' \text{ x } OS')}{SP' \; OS_0}$$

where

ER_0 = the Exchange Rate in effect on the date such tender or exchange offer expires;

ER' = the Exchange Rate in effect on the day next succeeding the date such tender or exchange offer expires;

AC = the aggregate value of all cash and any other consideration (as determined by the Board of Directors) paid or payable for shares purchased in such tender or exchange offer;

OS_0 = the number of shares of Common Stock outstanding immediately prior to the date such tender or exchange offer expires;

OS′ = the number of shares of Common Stock outstanding immediately after the date such tender or exchange offer expires; and

SP′ = the average of the Last Reported Sale Prices of the Common Stock over the ten consecutive Trading Day period commencing on the Trading Day next succeeding the date such tender or exchange offer expires,

such adjustment to become effective immediately prior to the opening of business on the day following the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer. If Parent is obligated to purchase shares pursuant to any such tender or exchange offer, but Parent is permanently prevented by applicable law from effecting all or any such purchases or all or any portion of such purchases are rescinded, the Exchange Rate shall again be adjusted to be the Exchange Rate that would then be in effect if such tender or exchange offer had not been made or had only been made in respect of the purchases that had been effected. No adjustment to the Exchange Rate will be made if the application of the foregoing formulae would result in a decrease in the Exchange Rate.

(f) For purposes of this Section 8.04 the term "record date" shall mean, with respect to any dividend, distribution or other transaction or event in which the holders of Common Stock have the right to receive any cash, securities or other property or in which the shares of Common Stock (or other applicable securities) are exchanged for or converted into any combination of cash, securities or other property, the date fixed for determination of stockholders entitled to receive such cash, securities or other property (whether such date is fixed by the Board of Directors or by statute, contract or otherwise).

(g) In addition to those required by clauses (a), (b), (c), (d), and (e) of this Section 8.04, and to the extent permitted by applicable law and subject to the applicable rules of the New York Stock Exchange, the Company from time to time may increase the Exchange Rate by any amount for a period of at least 20 days if the Board of Directors determines that such increase would be in the Company's best interest. In addition, the Company may also (but is not required to) increase the Exchange Rate to avoid or diminish any income tax to holders of Common Stock or rights to purchase shares of Common Stock in connection with any dividend or distribution of shares (or rights to acquire shares) or similar event. Whenever the Exchange Rate is increased pursuant to the preceding sentence, the Company shall mail to the Holder of each Note at his last address appearing on the Security Register a notice of the increase at least five days prior to the date the increased Exchange Rate takes effect, and such notice shall state the increased Exchange Rate and the period during which it will be in effect.

(h) All calculations and other determinations under this Article VIII shall be made by the Company and shall be made to the nearest cent or to the nearest one-ten thousandth (1/10,000) of a share of stock, as the case may be. No adjustment shall be made for Parent's issuance of shares of Common Stock or any securities convertible into or exchangeable for shares of Common Stock, or the right to purchase shares of Common Stock or such convertible or exchangeable securities, other than as provided in this Section 8.04. No adjustment shall be made to the Exchange Rate unless such adjustment would require a change of at least 1% in the Exchange Rate then in effect at such time. The Company shall carry forward any adjustments that are less than 1% of the Exchange Rate and make such carried forward adjustments,

regardless of whether the aggregate adjustment is less than 1% within one year of the first such adjustment carried forward, upon a Fundamental Change, upon any call of the Notes for redemption or upon maturity.

(i) Whenever the Exchange Rate is adjusted as herein provided, the Company shall promptly file with the Trustee and any Exchange Agent other than the Trustee an Officers' Certificate setting forth the Exchange Rate after such adjustment and setting forth a brief statement of the facts requiring such adjustment. The Trustee and Exchange Agent may conclusively rely on the accuracy of the Exchange Rate adjustment provided by the Company. Unless and until a Responsible Officer of the Trustee shall have received such Officers' Certificate, the Trustee shall not be deemed to have knowledge of any adjustment of the Exchange Rate and may assume without inquiry that the last Exchange Rate of which it has knowledge is still in effect. Promptly after delivery of such certificate, the Company shall prepare a notice of such adjustment of the Exchange Rate setting forth the adjusted Exchange Rate and the date on which each adjustment becomes effective and shall mail such notice of such adjustment of the Exchange Rate to the Holder of each Note at his last address appearing on the Security Register, within thirty (30) days of the effective date of such adjustment. Failure to deliver such notice shall not affect the legality or validity of any such adjustment.

(j) For purposes of this Section 8.04, the number of shares of Common Stock at any time outstanding shall not include shares held in the treasury of Parent but shall include shares issuable in respect of scrip certificates issued in lieu of fractions of shares of Common Stock.

Notwithstanding the foregoing provisions of this Section 8.04, in no event will the total number of shares of Common Stock issuable upon exchange exceed 7.1015 per $1,000 principal amount of Notes (subject to adjustment in the same manner or as set forth in clauses (a), (b) and (c) of this Section 8.04).

Section 8.05 *Sufficient Shares to be Delivered*. To the extent the Company elects to deliver shares of Common Stock, the Company shall provide, free from preemptive rights, sufficient shares of Common Stock to provide for exchange of the Notes from time to time as such Notes are presented for exchange.

Section 8.06 *Effect of Reclassification, Consolidation, Merger or Sale*. If any of the following events occur, namely (i) any reclassification or change of the outstanding Common Stock (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a split, subdivision or combination), (ii) any consolidation, merger or combination of Parent with another Person, or (iii) any sale or conveyance of all or substantially all of the property and assets of Parent to any other Person, in either case as a result of which holders of Common Stock shall be entitled to receive cash, securities or other property or assets with respect to or in exchange for such shares of Common Stock (any such event a "Merger Event"), then:

(a) the Company and Parent or the successor or purchasing Person, as the case may be, shall execute with the Trustee a supplemental indenture (which, as evidenced in an Opinion of Counsel delivered to the Trustee, shall comply with the Trust Indenture Act as in

force at the date of execution of such supplemental indenture if such supplemental indenture is then required to so comply) providing for the exchange and settlement of the Notes as set forth in this Third Supplemental Indenture. Such supplemental indenture shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Article and the Trustee may conclusively rely on the determination by the Company of the equivalency of such adjustments. If, in the case of any Merger Event, the Reference Property includes shares of stock or other securities and assets of a corporation other than the successor or purchasing corporation, as the case may be, in such reclassification, change, consolidation, merger, combination, sale or conveyance, then such supplemental indenture shall also be executed by such other corporation and shall contain such additional provisions to protect the interests of the Holders of the Notes as the Board of Directors shall reasonably consider necessary by reason of the foregoing, including to the extent required by the Board of Directors and practicable the provisions providing for the repurchase rights set forth in Article IX herein.

In the event the Company shall execute a supplemental indenture pursuant to this Section 8.06, the Company shall, in addition to the Officers' Certificate and Opinion of Counsel required by Section 102 of the Base Indenture, file with the Trustee an Officers' Certificate briefly stating the kind or amount of cash, securities or property or asset that will constitute the Reference Property after any such Merger Event, any adjustment to be made with respect thereto, and the Trustee shall promptly mail notice thereof to all Noteholders.

(b) Notwithstanding the provisions of Section 8.02(a) and Section 8.02(b), and subject to the provisions of Section 8.01, at the effective time of such Merger Event, the right to exchange each $1,000 principal amount of Notes will be changed to a right to exchange such Note by reference to the kind and amount of cash, securities or other property or assets that a holder of a number of shares of Common Stock equal to the Exchange Rate immediately prior to such transaction would have owned or been entitled to receive (the "Reference Property") such that from and after the effective time of such transaction, a Noteholder will be entitled thereafter to exchange its Notes, subject to the successor's right to deliver cash, common shares or shares of Common Stock of such successor or a combination of cash and shares of Common Stock as set forth in Section 8.02(b), into cash (up to the aggregate principal amount thereof) and, in lieu of the shares of Common Stock otherwise deliverable, the same type (and in the same proportion) of Reference Property, based on the Daily Settlement Amounts of Reference Property in an amount equal to the applicable Exchange Rate, as described under Section 8.02(b). For purposes of determining the constitution of Reference Property, the type and amount of consideration that a holder of shares of Common Stock would have been entitled to in the case of reclassifications, consolidations, mergers, sales or conveyance of assets or other transactions that cause the Common Stock to be converted into the right to receive more than a single type of consideration (determined based in part upon any form of stockholder election) will be deemed to be the weighted average of the types and amounts of consideration received by the holders of shares of Common Stock that affirmatively make such an election. Parent shall not become a party to any such transaction unless its terms are consistent with the preceding. None of the foregoing provisions shall affect the right of a Holder of Notes to exchange its Notes in accordance with the provisions of Article VIII hereof prior to the effective date.

(c) The Company shall cause notice of the execution of such supplemental indenture to be mailed to each Noteholder, at his address appearing on the Security Register,

within thirty (30) days after execution thereof. Failure to deliver such notice shall not affect the legality or validity of such supplemental indenture.

(d) The above provisions of this Section shall similarly apply to successive Merger Events.

Section 8.07 *Certain Covenants*. The Company covenants that all shares of Common Stock delivered upon exchange of Notes will be fully paid and non-assessable by Parent and free from all taxes, liens and charges with respect to the issue thereof.

Section 8.08 *Responsibility of Trustee*. The Trustee and any other Exchange Agent shall not at any time be under any duty or responsibility to any Noteholder to determine the Exchange Rate or whether any facts exist which may require any adjustment of the Exchange Rate, or with respect to the nature or extent or calculation of any such adjustment when made, or with respect to the method employed, or herein or in any supplemental indenture provided to be employed, in making the same. The Trustee and any other Exchange Agent shall not be accountable with respect to the validity or value (or the kind or amount) of any shares of Common Stock, or of any securities or property, which may at any time be issued or delivered upon the exchange of any Note; and the Trustee and any other Exchange Agent make no representations with respect thereto. Neither the Trustee nor any Exchange Agent shall be responsible for any failure of the Company to transfer or deliver any shares of Common Stock or share certificates or other securities or property or cash upon the surrender of any Note for the purpose of exchange or to comply with any of the duties, responsibilities or covenants of the Company contained in this Article.

Without limiting the generality of the foregoing, neither the Trustee nor any Exchange Agent shall be under any responsibility to determine the correctness of any provisions contained in any supplemental indenture entered into pursuant to Section 8.06 relating either to the kind or amount of shares of stock or securities or property (including cash) receivable by Noteholders upon the exchange of their Notes after any event referred to in such Section 8.06 or to any adjustment to be made with respect thereto, but, subject to the provisions of Article Six of the Base Indenture, may accept as conclusive evidence of the correctness of any such provisions, and shall be protected in relying upon, the Officers' Certificate with respect thereto.

Section 8.09 *Notice to Holders Prior to Certain Actions*.

In case:

(a) Parent shall declare a dividend (or any other distribution) on its Common Stock that would require an adjustment in the Exchange Rate pursuant to Section 8.04; or

(b) Parent shall authorize the granting to all of the holders of its Common Stock of rights or warrants to subscribe for or purchase any share of any class or any other rights or warrants;

(c) of any reclassification of the Common Stock of Parent (other than a subdivision or combination of its outstanding Common Stock, or a change in par value, or from par value to no par value, or from no par value to par value), or of any consolidation or merger to

which Parent is a party and for which approval of any stockholders of Parent is required, or of the sale or transfer of all or substantially all of the assets of Parent; or

(d) of the voluntary or involuntary dissolution, liquidation or winding-up of Parent,

the Company shall cause to be filed with the Trustee and to be mailed to each Noteholder at his address appearing on the Security Register as promptly as possible but in any event at least thirty (30) days prior to the applicable date specified in clause (x) or (y) below, as the case may be, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution or rights or warrants, or, if a record is not to be taken, the date as of which the holders of Common Stock of record to be entitled to such dividend, distribution or rights are to be determined, or (y) the date on which such reclassification, consolidation, merger, sale, transfer, dissolution, liquidation or winding-up is expected to become effective or occur, and the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reclassification, consolidation, merger, sale, transfer, dissolution, liquidation or winding-up. Failure to give such notice, or any defect therein, shall not affect the legality or validity of such dividend, distribution, reclassification, consolidation, merger, sale, transfer, dissolution, liquidation or winding-up.

Section 8.10 *Stockholder Rights Plans*. Upon exchange of the Notes, the Holders shall receive, in addition to any shares of Common Stock issuable upon such exchange, the associated rights issued under any future stockholder rights plan Parent adopts unless, prior to exchange, the rights have separated from the shares of Common Stock, expired, terminated or been redeemed or converted in accordance with such rights plan. If, and only if, the Holders receive rights under such stockholder rights plans as described in the preceding sentence upon exchange of their Notes, then no other adjustment pursuant to this Article VIII shall be made in connection with such stockholder rights plans.

Section 8.11 *Ownership Limit.* Notwithstanding any other provision of this Third Supplemental Indenture or the Notes, no Holder of Notes (or beneficial owner of Notes) shall be entitled to exchange such Notes for shares of Common Stock to the extent that receipt of such shares would cause such Holder (or beneficial owner of Notes) (together with such Holder's (or beneficial owner's) affiliates) to exceed the applicable ownership limit contained in the articles of incorporation of Parent.

ARTICLE IX

REPURCHASE OF NOTES AT OPTION OF HOLDERS

Section 9.01 *Repurchase of Securities at Option of the Holder on Specified Dates*

(a) The provisions of Article Thirteen of the Base Indenture shall not be applicable to the Notes.

(b) Each Noteholder shall have the right, at such Holder's option, to require the Company to repurchase all of such Holder's Notes or any portion thereof that is a multiple of

$1,000 principal amount, for cash on May 15, 2013, May 15, 2018, May 15, 2023, May 15, 2028 and May 15, 2033 (each, a Put Right Repurchase Date") at a repurchase price per Note equal to 100% of the aggregate principal amount of the Notes being repurchased, together with any accrued and unpaid interest up to, but not including, such Put Right Repurchase Date (the "Put Right Repurchase Price").

Repurchases of Notes by the Company pursuant to this Section 9.01 shall be made, at the option of the Holder thereof, upon:

(i) delivery to the Trustee (or other Paying Agent appointed by the Company) by the Holder of a written notice of purchase (a 'Put Right Repurchase Notice") in the form set forth on the reverse of the Note at any time from the opening of business on the date that is 25 Business Days prior to the applicable Put Right Repurchase Date until the close of business on the fifth Business Day prior to such Put Right Repurchase Date stating:

(A) if certificated, the certificate numbers of the Notes to be delivered for repurchase;

(B) the portion of the principal amount of the Notes to be repurchased, which must be $1,000 or an integral multiple thereof, and

(C) that the Notes are to be repurchased as of the applicable Put Right Repurchase Date pursuant to the terms and conditions specified in the Notes and in this Third Supplemental Indenture, and

(ii) delivery of such Note to the Paying Agent prior to, on or after the Put Right Repurchase Date (together with all necessary endorsements) at the offices of the Paying Agent, such delivery being a condition to receipt by the Holder of the Put Right Repurchase Price therefor, which shall be so paid pursuant to this Section 9.01 only if the Note so delivered to the Paying Agent shall conform in all respects to the description thereof in the related Put Right Repurchase Notice, as determined by the Company.

The Company shall repurchase from the Holder thereof, pursuant to this Section 9.01, a portion of a Note if the principal amount of such portion is $1,000 or an integral multiple of $1,000. Provisions of this Third Supplemental Indenture that apply to the repurchase of all of a Note also apply to the repurchase of such portion of such Note.

Any repurchase by the Company contemplated pursuant to the provisions of this Section 9.01 shall be consummated by the delivery of the consideration to be received by the Holder promptly following the later of the Put Right Repurchase Date and the time of delivery of the Note.

The Trustee (or other Paying Agent appointed by the Company) shall promptly notify the Company of the receipt by it of any Put Right Repurchase Notice or written notice of withdrawal thereof in accordance with the provisions of Section 9.01(e).

Any Note that is to be repurchased only in part shall be surrendered to the Trustee (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by the Holder thereof or his attorney duly authorized in writing), and the Company shall execute, and the Trustee shall authenticate and make available for delivery to the Holder of such Note without service charge, a new Note or Notes, containing identical terms and conditions, each in an authorized denomination in aggregate principal amount equal to and in exchange for the unrepurchased portion of the principal of the Note so surrendered.

(c) In connection with any purchase of Notes pursuant to this Section 9.01, the Company shall give written notice of the Put Right Repurchase Date to the Holders (the "Company Put Right Notice").

The Company Put Right Notice shall be sent by first-class mail to the Trustee and to each Holder (and to each beneficial owner as required by applicable law) that has delivered a Put Right Repurchase Notice within ten Business Days of receipt of such Put Right Repurchase Notice, or, if a shorter period, at least two Business Days prior to any Put Right Repurchase Date (the "Company Put Right Notice Date"). Each Company Put Right Notice shall include a form of Put Right Repurchase Notice to be completed by a Noteholder and shall state:

(i) the Put Right Repurchase Price and the Exchange Price;

(ii) the name and address of the Paying Agent and the Exchange Agent;

(iii) that Notes as to which a Put Right Repurchase Notice has been given may be exchanged in accordance with Article VIII hereof only if the applicable Put Right Repurchase Notice has been withdrawn in accordance with the terms of this Third Supplemental Indenture;

(iv) that Notes must be surrendered to the Paying Agent to collect payment;

(v) that the Put Right Repurchase Price for any Note as to which a Put Right Repurchase Notice has been given and not withdrawn will be paid promptly following the later of the Put Right Repurchase Date and the time of surrender of such Note as described in subclause (iv) above;

(vi) the procedures the Holder must follow to exercise rights under this Section and a brief description of those rights;

(vii) briefly, the exchange rights of the Notes;

(viii) the procedures for withdrawing a Put Right Repurchase Notice (including pursuant to the terms of Section 9.01(e));

(ix) that, unless the Company defaults in making payment on Notes for which a Put Right Repurchase Notice has been submitted, interest on the Notes in respect of which a Put Right Repurchase Notice has been delivered and not withdrawn will cease to accrue on the Put Right Repurchase Date; and

(x) the CUSIP number of the Notes.

If any of the Notes are to be redeemed in the form of a Global Note, the Company shall modify such notice to the extent necessary to accord with the procedures of the Depositary applicable to redemptions.

At the Company's request, the Trustee shall give such Company Put Right Notice in the Company's name and at the Company's expense; provided, however, that, in all cases, the text of such Company Put Right Notice shall be prepared by the Company.

(d) Upon receipt by the Trustee (or other Paying Agent appointed by the Company) of the Put Right Repurchase Notice specified in Section 9.01(a), the Holder of the Note in respect of which such Put Right Repurchase Notice was given shall (unless such Put Right Repurchase Notice is withdrawn as specified in Section 9.01(e)) thereafter be entitled to receive solely the Put Right Repurchase Price with respect to such Note. Such Put Right Repurchase Price shall be paid to such Holder, subject to receipt of funds by the Paying Agent, promptly following the later of (x) the Put Right Repurchase Date with respect to such Note (*provided* the conditions in Section 9.01(a) have been satisfied) and (y) the time of delivery of such Note to the Paying Agent by the Holder thereof in the manner required by Section 9.01(a). Notes in respect of which a Put Right Repurchase Notice has been given by the Holder thereof may not be exchanged pursuant to Article VIII hereof on or after the date of the delivery of such Put Right Repurchase Notice, unless such Put Right Repurchase Notice has first been validly withdrawn as specified in Section 9.01(e).

(e) A Put Right Repurchase Notice may be withdrawn by means of a written notice of withdrawal delivered to the office of the Paying Agent in accordance with the Put Right Repurchase Notice at any time prior to 10:00 A.M. New York City time on the fourth Business Day prior to the Put Right Repurchase Date specifying:

(i) if certificated Notes have been issued, the certificate numbers of the withdrawn Notes,

(ii) the principal amount of the Notes with respect to which such notice of withdrawal is being submitted, and

(iii) the principal amount, if any, of such Notes that remains subject to the original Put Right Repurchase Notice, which portion must be in principal amounts of $1,000 or an integral multiple of $1,000;

provided, *however*, that if the Notes are not in certificated form, the notice must comply with appropriate procedures of the Depositary.

A written notice of withdrawal of a Put Right Repurchase Notice shall be in the form set forth in the preceding paragraph.

Upon receipt of a written notice of withdrawal, the Paying Agent shall promptly return to the Holders thereof any Notes in respect of which a Put Right Repurchase Notice has been withdrawn in accordance with the provisions of Section 9.01(f).

(f) There shall be no repurchase of any Notes pursuant to this Section 9.01 if there has occurred (prior to, on or after, as the case may be, the giving, by the Holders of such Notes, of the required Put Right Repurchase Notice) and is continuing an Event of Default with respect to Notes (other than a default in the payment of the Put Right Repurchase Price with respect to such Notes). The Paying Agent will promptly return to the respective Holders thereof any Notes held by it during the continuance of an Event of Default with respect to Notes (other than a default in the payment of the Put Right Repurchase Price with respect to such Notes), in which case, upon such return, the Put Right Repurchase Notice with respect thereto shall be deemed to have been withdrawn.

(g) Prior to 11:00 a.m. (local time in The City of New York) on the Put Right Repurchase Date, the Company shall deposit with the Trustee (or other Paying Agent appointed by the Company or if the Company is acting as its own Paying Agent, set aside, segregate and hold in trust in accordance with the terms of the Base Indenture as modified by this Third Supplemental Indenture) an amount (in immediately available funds if deposited on such Business Day) sufficient to pay the aggregate Put Right Repurchase Price of all the Notes or portions thereof which are to be purchased as of the Put Right Repurchase Date. The manner in which the deposit required by this Section 9.01(g) is made by the Company shall be at the option of the Company; *provided* that such deposit shall be made in a manner such that the Trustee or a Paying Agent shall have immediately available funds on the Put Right Repurchase Date.

If the Trustee (or other Paying Agent appointed by the Company) holds, in accordance with the terms hereof, money sufficient to pay the Put Right Repurchase Price of any Note, then, on the Put Right Repurchase Date, such Note will cease to be Outstanding and the rights of the Holder in respect thereof shall terminate (other than the right to receive the Put Right Repurchase Price as aforesaid).

To the extent that the aggregate amount of cash deposited by the Company pursuant to this Section 9.01(g) exceeds the aggregate Put Right Repurchase Price of the Notes or portions thereof that the Company is obligated to purchase, then promptly after the Put Right Repurchase Date the Trustee or a Paying Agent, as the case may be, shall return any such excess cash to the Company.

Section 9.02 *Repurchase at Option of Holders Upon a Fundamental Change*.

(a) If a Fundamental Change occurs at any time, then each Noteholder shall have the right, at such Holder’s option, to require the Company to repurchase all of such Holder’s Notes or any portion thereof that is a multiple of $1,000 principal amount, for cash on the date (the “Fundamental Change Repurchase Date”) specified by the Company that is not less than twenty (20) Business Days and not more than thirty-five (35) Business Days after the date of the Fundamental Change Company Notice (as defined below) at a repurchase price equal to 100% of the principal amount thereof, together with accrued and unpaid interest thereon to, but excluding, the Fundamental Change Repurchase Date (the “Fundamental Change Repurchase Price”).

Repurchases of Notes under this Section 9.02 shall be made, at the option of the Holder thereof, upon:

(i) delivery to the Trustee (or other Paying Agent appointed by the Company) by a Holder of a duly completed notice (the "Fundamental Change Repurchase Notice") in the form set forth on the reverse of the Note prior to the close of business on the Fundamental Change Repurchase Date; and

(ii) delivery or book-entry transfer of the Notes to the Trustee (or other Paying Agent appointed by the Company) at any time after delivery of the Fundamental Change Repurchase Notice (together with all necessary endorsements) at the Corporate Trust Office of the Trustee (or other Paying Agent appointed by the Company) in the Borough of Manhattan, such delivery being a condition to receipt by the Holder of the Fundamental Change Repurchase Price therefor; provided that such Fundamental Change Repurchase Price shall be so paid pursuant to this Section 9.02 only if the Note so delivered to the Trustee (or other Paying Agent appointed by the Company) shall conform in all respects to the description thereof in the related Fundamental Change Repurchase Notice.

The Fundamental Change Repurchase Notice shall state:

(A) if certificated, the certificate numbers of Notes to be delivered for repurchase;

(B) the portion of the principal amount of Notes to be repurchased, which must be $1,000 or an integral multiple thereof; and

(C) that the Notes are to be repurchased by the Company pursuant to the applicable provisions of the Notes and this Third Supplemental Indenture.

Any repurchase by the Company contemplated pursuant to the provisions of this Section 9.02 shall be consummated by the delivery of the consideration to be received by the Holder promptly following the later of the Fundamental Change Repurchase Date and the time of the book-entry transfer or delivery of the Note.

The Trustee (or other Paying Agent appointed by the Company) shall promptly notify the Company of the receipt by it of any Fundamental Change Repurchase Notice or written notice of withdrawal thereof in accordance with the provisions of Section 9.02(c).

Any Note that is to be repurchased only in part shall be surrendered to the Trustee (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by the Holder thereof or his attorney duly authorized in writing), and the Company shall execute, and the Trustee shall authenticate and make available for delivery to the Holder of such Note without service charge, a new Note or Notes, containing identical terms and conditions, each in an authorized denomination in aggregate principal amount equal to and in exchange for the unrepurchased portion of the principal of the Note so surrendered.

(b) On or before the twentieth day after the occurrence of any Fundamental Change, the Company shall provide to all Holders of record of the Notes and the Trustee and Paying Agent a notice (the "Fundamental Change Company Notice") of the occurrence of such

Fundamental Change and of the repurchase right at the option of the Holders arising as a result thereof. Such mailing shall be by first class mail. Simultaneously with providing such Fundamental Change Company Notice, the Company shall publish a notice containing the information included therein once in a newspaper of general circulation in The City of New York or publish such information on the Company's website or through such other public medium as the Company may use at such time.

Each Fundamental Change Company Notice shall specify:

(i) the events causing the Fundamental Change;

(ii) the date of the Fundamental Change;

(iii) that the Holder must exercise the repurchase right on or prior to the close of business on the Fundamental Change Repurchase Date;

(iv) the Fundamental Change Repurchase Price;

(v) the Fundamental Change Repurchase Date;

(vi) the name and address of the Paying Agent and the Exchange Agent;

(vii) the applicable Exchange Rate and any adjustments to the applicable Exchange Rate;

(viii) that the Notes with respect to which a Fundamental Change Repurchase Notice has been delivered by a Holder may be exchanged only if the Holder withdraws the Fundamental Change Repurchase Notice in accordance with the terms of this Third Supplemental Indenture; and

(ix) the procedures that Holders must follow to require the Company to repurchase their Notes.

No failure of the Company to give the foregoing notices and no defect therein shall limit the Noteholders' repurchase rights or affect the validity of the proceedings for the repurchase of the Notes pursuant to this Section 9.02.

(c) A Fundamental Change Repurchase Notice may be withdrawn by means of a written notice of withdrawal delivered to the Trustee and Paying Agent in accordance with the Fundamental Change Company Notice at any time prior to the close of business on the Business Day prior to the Fundamental Change Repurchase Date, specifying:

(i) the principal amount of the Notes with respect to which such notice of withdrawal is being submitted;

(ii) if certificated Notes have been issued, the certificate numbers of the withdrawn Notes; and

(iii) the principal amount, if any, of such Notes that remains subject to the original Fundamental Change Repurchase Notice, which portion must be in principal amounts of $1,000 or an integral multiple of $1,000; provided, however, that if the Notes are not in certificated form, the notice must comply with appropriate procedures of the Depositary.

(d) On or prior to 11:00 a.m. (local time in The City of New York) on the second Business Day following the Fundamental Change Repurchase Date, the Company will deposit with the Trustee (or other Paying Agent appointed by the Company or if the Company is acting as its own Paying Agent, set aside, segregate and hold in trust in accordance with the Base Indenture as modified by this Third Supplemental Indenture) an amount of money sufficient to repurchase on the Fundamental Change Repurchase Date all of the Notes to be repurchased on such date at the Fundamental Change Repurchase Price. Subject to receipt of funds and/or Notes by the Trustee (or other Paying Agent appointed by the Company), payment for Notes surrendered for repurchase (and not withdrawn) prior to the close of business on the Fundamental Change Repurchase Date will be made promptly after the later of (x) the Fundamental Change Repurchase Date with respect to such Note (*provided* the Holder has satisfied the conditions to the payment of the Fundamental Change Repurchase Price in Section 9.02), and (y) the time of book-entry transfer or the delivery of such Note to the Trustee (or other Paying Agent appointed by the Company) by the Holder thereof in the manner required by Section 9.02 by mailing checks for the amount payable to the Holders of such Notes entitled thereto as they shall appear in the Security Register, *provided*, *however*, that payments to the Depositary shall be made by wire transfer of immediately available funds to the account of the Depositary or its nominee. The Trustee shall, promptly after such payment and upon written demand by the Company, return to the Company any funds in excess of the Fundamental Change Repurchase Price.

(e) If the Trustee (or other Paying Agent appointed by the Company) holds money or securities sufficient to repurchase on the Fundamental Change Repurchase Date all the Notes or portions thereof that are to be purchased as of the second Business Day following the Fundamental Change Repurchase Date, then on and after the Fundamental Change Repurchase Date (i) such Notes will cease to be Outstanding, (ii) interest will cease to accrue on such Notes, and (iii) all other rights of the Holders of such Notes will terminate, whether or not book-entry transfer of the Notes has been made or the Notes have been delivered to the Trustee or Paying Agent, other than the right to receive the Fundamental Change Repurchase Price upon delivery of the Notes.

ARTICLE X

GUARANTEE

Section 10.01 *Guarantees*. Article Sixteen of the Base Indenture shall be applicable to the Notes.

ARTICLE XI

MISCELLANEOUS PROVISIONS

Section 11.01 *Ratification of Base Indenture*. Except as expressly modified or amended hereby, the Base Indenture continues in full force and effect and is in all respects confirmed, ratified and preserved and the provisions thereof shall be applicable to the Notes and this Third Supplemental Indenture.

Section 11.02 *Provisions Binding on Company's Successors*. All the covenants, stipulations, promises and agreements of the Company contained in this Third Supplemental Indenture shall bind its successors and assigns whether so expressed or not.

Section 11.03 *Official Acts by Successor Corporation*. Any act or proceeding by any provision of this Third Supplemental Indenture authorized or required to be done or performed by any board, committee or officer of the Company shall and may be done and performed with like force and effect by the like board, committee or officer of any corporation or entity that shall at the time be the lawful sole successor of the Company.

Section 11.04 *Addresses for Notices, Etc*. Any notice or demand which by any provision of this Third Supplemental Indenture is required or permitted to be given or served by the Trustee or by the Noteholders on the Company shall be deemed to have been sufficiently given or made, for all purposes if given or served by being deposited postage prepaid by registered or certified mail in a post office letter box addressed (until another address is filed by the Company with the Trustee) to Prologis, L.P., Pier 1, Bay 1, San Francisco, California 94111, Attention: Chief Financial Officer. Any notice, direction, request or demand hereunder to or upon the Trustee shall be deemed to have been sufficiently given or made, for all purposes, if given or served by being deposited postage prepaid by registered or certified mail in a post office letter box addressed to U.S. Bank National Association, 100 Wall Street, Suite 1600, New York, New York 10005, Attention: Corporate Trust Services/Prologis, L.P.

The Trustee, by notice to the Company, may designate additional or different addresses for subsequent notices or communications.

Any notice or communication mailed to a Noteholder shall be mailed to him by first class mail, postage prepaid, at his address as it appears on the Security Register and shall be sufficiently given to him if so mailed within the time prescribed.

Failure to mail a notice or communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

Section 11.05 *Governing Law*. THIS THIRD SUPPLEMENTAL INDENTURE, EACH NOTE AND THE GUARANTEE SHALL BE DEEMED TO BE A CONTRACT MADE UNDER THE LAWS OF THE STATE OF NEW YORK, AND FOR ALL PURPOSES SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS ENTERED INTO AND TO BE PERFORMED THEREIN.

Section 11.06 *Non-Business Day*. Section 113 of the Base Indenture shall also apply to any Fundamental Change Purchase Date, Put Right Repurchase Date or Exchange Date in respect of the Notes.

Section 11.07 *Benefits of Indenture*. Nothing in this Third Supplemental Indenture or in the Notes, expressed or implied, shall give to any person, other than the parties hereto, any Paying Agent, any authenticating agent, any Security Registrar and their successors hereunder, the Noteholders, any benefit or any legal or equitable right, remedy or claim under this Third Supplemental Indenture.

Section 11.08 *Table of Contents, Headings, Etc*. The table of contents and the titles and headings of the articles and sections of this Third Supplemental Indenture have been inserted for convenience of reference only, are not to be considered a part hereof, and shall in no way modify or restrict any of the terms or provisions hereof.

Section 11.09 *Execution in Counterparts.* This Third Supplemental Indenture may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument.

Section 11.10 *Trustee* . The Trustee makes no representations as to the validity or sufficiency of this Third Supplemental Indenture. The statements and recitals herein are deemed to be those of the Company and Parent and not of the Trustee.

Section 11.11 *Further Instruments and Acts*. Upon request of the Trustee, the Company and Parent will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purposes of this Third Supplemental Indenture.

Section 11.12 *Waiver of Jury Trial*. EACH OF THE COMPANY, PARENT AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES OR THE TRANSACTION CONTEMPLATED HEREBY.

Section 11.13 *Force Majeure*. In no event shall the Trustee or Exchange Agent be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

IN WITNESS WHEREOF, the parties hereto have caused this Third Supplemental Indenture to be duly executed as of the date first written above.

PROLOGIS, L.P.
By: Prologis, Inc., its general partner

By: /s/ Phillip D. Joseph, Jr.
Name: Phillip D. Joseph, Jr.
Title: Senior Vice President and Treasurer

Attest:

By: /s/ Michael T. Blair
Name: Michael T. Blair
Title: Managing Director and Deputy General Counsel

PROLOGIS, INC.

By: /s/ Phillip D. Joseph, Jr.
Name: Phillip D. Joseph, Jr.
Title: Senior Vice President and Treasurer

Attest:

By: /s/ Michael T. Blair
Name: Michael T. Blair
Title: Managing Director and Deputy General Counsel

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: /s/ Beverly A. Freeney
Name: Beverly A. Freeney
Title: Vice President

[Third Supplemental Indenture]

SCHEDULE A

Share Price

Effective Date	$140.82	$145.61	$151.21	$156.81	$162.41	$168.01	$173.61	$179.21	$190.41	$201.61	$212.81	$224.01	$246.42	$268.82
May 20, 2011	1.2446	1.0353	0.8923	0.7672	0.6578	0.5623	0.4790	0.4065	0.2887	0.2004	0.1350	0.0872	0.0295	0.0044
May 20, 2012	1.2446	1.0108	0.7954	0.6614	0.5468	0.4491	0.3662	0.2961	0.1878	0.1129	0.0630	0.0312	0.0021	0.0000
May 20, 2013	1.2446	1.0108	0.7564	0.5202	0.3003	0.0951	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

EXHIBIT A

FORM OF GLOBAL NOTE

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

PROLOGIS, L.P.
2.625% Exchangeable Senior Notes due 2038

No. 1 $363,779,000

CUSIP No. 74340XAS0

PROLOGIS, L.P., a limited partnership organized and existing under the laws of the State of Delaware (herein called the "Company," which term includes any successor corporation under the Indenture referred to on the reverse hereof), for value received hereby promises to pay to CEDE & CO., or registered assigns, the principal sum of THREE HUNDRED AND SIXTY THREE MILLION SEVEN HUNDRED AND SEVENTY NINE THOUSAND DOLLARS ($363,779,000) or such other principal amount as shall be set forth on the Schedule I hereto on May 15, 2038.

This Security shall bear interest at the rate of 2.625% per year from May 15, 2011, or from the most recent date to which interest had been paid or provided. Interest is payable semi-annually in arrears on each May 15 and November 15, commencing November 15, 2011, to Holders of record at the close of business on the preceding May 1 and November 1, respectively. Interest payable on each Interest Payment Date shall equal the amount of interest accrued from, and including the immediately preceding Interest Payment Date (or from and including May 15, 2011, if no interest has been paid hereon) to but excluding such Interest Payment Date.

Payment of the principal and interest, on this Security will be made at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, City of New York, or elsewhere as provided in the Indenture, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; provided, however, that at the option of the Company, payment of interest may be made by (i) check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register or (ii) transfer to an account of the Person entitled thereto located inside the United States; provided further, however, that, with respect to any Holder of Securities with an aggregate principal amount in excess of $1,000,000, at the application of such Holder in writing to the Company, interest on such Holder's Securities shall be paid by wire transfer in immediately available funds to such Holder's account in the United States supplied by such Holder from time to time to the Trustee and Paying Agent (if different from the Trustee) not later than the applicable record date.

Reference is made to the further provisions of this Security set forth on the reverse hereof, including, without limitation, provisions giving the Holder of this Security the right to exchange this Security into cash, shares of Common Stock of the Company or a combination of cash and shares of Common Stock on the terms and subject to the limitations referred to on the reverse hereof and as more fully specified in the Indenture. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This Security shall be deemed to be a contract made under the laws of the State of New York, and for all purposes shall be construed in accordance with the laws of the State of New York applicable to contracts entered into and to be performed therein.

This Security shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been manually signed by the Trustee or a duly authorized authenticating agent under the Indenture.

[Remainder of page intentionally left blank]

Unless the certificate of authentication hereon has been executed by or on behalf of the Trustee by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed by the undersigned officer.

PROLOGIS, L.P.
By: Prologis, Inc., its sole general partner

By: ______________________________
Name: Phillip D. Joseph, Jr.
Title: Senior Vice President and Treasurer

Attest

By: ______________________________
Name: Michael T. Blair
Title: Managing Director and Deputy General Counsel

Dated: June 8, 2011

TRUSTEE'S CERTIFICATE OF AUTHENTICATION:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
as trustee

BY: ______________________________
Authorized Officer

PROLOGIS, L.P.
2.625% Exchangeable Senior Notes due 2038

This Security is one of a duly authorized issue of Securities of the Company, designated as its 2.625% Exchangeable Senior Notes due 2038 (herein called the "Securities"), issued under and pursuant to an Indenture dated as of June 8, 2011 (herein called the "Base Indenture"), as supplemented with respect to the Securities by the First Supplemental Indenture, dated June 8, 2011, the Second Supplemental Indenture, dated June 8, 2011 and the Third Supplemental Indenture (the "Third Supplemental Indenture"), dated as of June 8, 2011 (as so supplemented, herein called the "Indenture"), among the Company, Prologis, Inc. (herein called the "Parent Guarantor") and U.S. Bank National Association (herein called the "Trustee"), to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the rights, limitations of rights, obligations, duties and immunities thereunder of the Trustee, the Company, the Parent Guarantor and the Holders of the Securities. Additional Securities may be issued in an unlimited aggregate principal amount, subject to certain conditions specified in the Indenture. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Indenture.

In case an Event of Default, as defined in the Indenture, shall have occurred and be continuing, the principal of and interest on all Securities may be declared, and upon said declaration shall become, due and payable, in the manner, with the effect and subject to the conditions provided in the Indenture.

Prior to May 20, 2013, the Company may not redeem the Securities except to preserve the Company's status as a real estate investment trust as described in Section 3.01 of the Third Supplemental Indenture. Subject to the terms and conditions of the Indenture, on or after May 20, 2013, the Company shall have the right to redeem the Securities, in whole or from time to time in part, at a price equal to 100% of the principal amount of the Securities being redeemed, plus accrued and unpaid interest. Any such redemption shall be upon at least 30 days' and no more than 60 days' notice to Holders of the Securities.

Subject to the terms and conditions of the Indenture, the Company will make all payments and deliveries in respect of the Fundamental Change Repurchase Price, the Put Right Repurchase Price, the Redemption Price and the principal amount on the Maturity Date, as the case may be, to the Holder who surrenders a Security to a Paying Agent to collect such payments in respect of the Security. The Company will pay cash amounts in money of the United States that at the time of payment is legal tender for payment of public and private debts.

The Indenture contains provisions permitting the Company, the Parent Guarantor and the Trustee in certain circumstances, without the consent of the Holders of the Securities, and in other circumstances, with the consent of the Holders of not less than a majority in principal amount of the Securities at the time Outstanding, evidenced as in the Indenture provided, to execute supplemental indentures adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or of any supplemental indenture or modifying in any manner the rights of the Holders of the Securities; provided, however, that no such

supplemental indenture shall make any of the changes set forth in Section 6.02 of the Third Supplemental Indenture, without the consent of each Holder of an Outstanding Security affected thereby. It is also provided in the Indenture that, prior to any declaration accelerating the maturity of the Securities, the Holders of a majority in principal amount of the Securities at the time Outstanding may on behalf of the Holders of all of the Securities waive any past default or Event of Default under the Indenture and its consequences except as provided in the Indenture. Any such consent or waiver by the Holder of this Security (unless revoked as provided in the Indenture) shall be conclusive and binding upon such Holder and upon all future Holders and owners of this Security and any Securities which may be issued in exchange or substitution hereof, irrespective of whether or not any notation thereof is made upon this Security or such other Securities.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and accrued and unpaid interest on this Security at the place, at the respective times, at the rate and in the lawful money herein prescribed.

The Securities are issuable in registered form without coupons in denominations of $1,000 principal amount and integral multiples thereof. At the office or agency of the Company referred to on the face hereof, and in the manner and subject to the limitations provided in the Indenture, without payment of any service charge but with payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration or exchange of Securities, Securities may be exchanged for a like aggregate principal amount of Securities of other authorized denominations.

The Securities are not subject to redemption through the operation of any sinking fund.

Upon the occurrence of a Fundamental Change, the Holder has the right, at such Holder’s option, to require the Company to repurchase all of such Holder’s Securities or any portion thereof (in principal amounts of $1,000 or integral multiples thereof) on the Fundamental Change Repurchase Date at a price equal to 100% of the principal amount of the Securities such holder elects to require the Company to repurchase, together with accrued and unpaid interest to but excluding the Fundamental Change Repurchase Date. The Company or, at the written request of the Company, the Trustee shall mail to all Holders of record of the Securities a notice of the occurrence of a Fundamental Change and of the repurchase right arising as a result thereof on or before the twentieth day after the occurrence of any Fundamental Change.

On May 15, 2013, May 15, 2018, May 15, 2023, May 15, 2028 and May 15, 2033, the Holder has the right, at such Holder’s option, to require the Company to repurchase all of such Holder’s Securities or any portion thereof (in principal amounts of $1,000 or integral multiples thereof) at a price equal to 100% of the principal amount of the Securities such Holder elects to require the Company to repurchase, together with accrued and unpaid interest to but excluding the Put Right Repurchase Date. Holders shall submit their Securities for repurchase to the Paying Agent at any time from the opening of business on the date that is 25 Business Days prior to the applicable Put Right Repurchase Date until the close of business on the fifth Business Day prior to the Put Right Repurchase Date.

Subject to the provisions of the Indenture, the Holder hereof has the right, at its option, on and after February 15, 2013, or earlier upon the occurrence of certain conditions specified in the Indenture and prior to the close of business on the Trading Day immediately preceding the Maturity Date, to exchange any Securities or portion thereof which is $1,000 or an integral multiple thereof, into cash, shares of Common Stock or a combination of cash and shares of Common Stock, at the option of the Company as provided in the Third Supplemental Indenture, in each case at the Exchange Rate specified in the Indenture, as adjusted from time to time as provided in the Indenture, upon surrender of this Security, together with a Notice of Exchange, a form of which is attached to this Security, as provided in the Indenture and this Security, to the Company at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, City of New York or elsewhere as provided in the Indenture, and, unless the shares issuable on exchange are to be issued in the same name as this Security, duly endorsed by, or accompanied by instruments of transfer in form satisfactory to the Company duly executed by, the Holder or by his duly authorized attorney. The initial Exchange Rate is 5.8569 shares for each $1,000 principal amount of Securities. No fractional shares of Common Stock will be issued upon any exchange, but an adjustment in cash will be paid to the Holder, as provided in the Indenture, in respect of any fraction of a share which would otherwise be issuable upon the surrender of any Security or Securities for exchange. No adjustment shall be made for dividends or any shares issued upon exchange of such Security except as provided in the Indenture.

Upon due presentment for registration of transfer of this Security at the office or agency of the Company in the Borough of Manhattan, City of New York, a new Security or Securities of authorized denominations for an equal aggregate principal amount will be issued to the transferee in exchange thereof, subject to the limitations provided in the Indenture, without charge except for any tax, assessments or other governmental charge imposed in connection therewith.

The Company, the Trustee, any authenticating agent, any Paying Agent, any Exchange Agent and any Security Registrar may deem and treat the registered Holder hereof as the absolute owner of this Security (whether or not this Security shall be overdue and notwithstanding any notation of ownership or other writing hereon), for the purpose of receiving payment hereof, or on account hereof, for the exchange hereof and for all other purposes, and neither the Company nor the Trustee nor any other authenticating agent nor any Paying Agent nor any other Exchange Agent nor any Security Registrar shall be affected by any notice to the contrary. All payments made to or upon the order of such registered Holder shall, to the extent of the sum or sums paid, satisfy and discharge liability for monies payable on this Security.

Except as provided in Article Sixteen of the Base Indenture, no recourse under or upon any obligation, covenant or agreement contained in the Indenture or in this Security, or because of any indebtedness evidenced thereby, shall be had against any promoter, as such, or against any past, present or future stockholder, partner, director, officer, employee, agent thereof or trustee, as such, of the Company or any Guarantor or of any successor thereof, either directly or through the Company or any Guarantor or any successor thereof, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability being expressly waived and released by the acceptance of this Security by the Holder thereof and as part of the consideration for the issue of the Securities of this series.

Terms used in this Security and defined in the Indenture are used herein as therein defined.

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (=tenants in common), TENANT (=tenants by the entireties), JT TEN (joint tenants with right of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform gift to Minors Act).

Schedule I

PROLOGIS, L.P.

2.625% Exchangeable Senior Notes due 2038

No. 1

Date	Principal Amount	Notation Explaining Principal Amount Recorded	Authorized Signature of Trustee or Custodian

Schedule I

FORM OF EXCHANGE NOTICE

To: PROLOGIS, L.P.

The undersigned registered owner of this Security hereby exercises the option to exchange this Security, or the portion hereof (which is $1,000 principal amount or an integral multiple thereof) below designated, into cash, shares of Common Stock, or a combination of cash and shares of Common Stock, in accordance with the terms of the Indenture referred to in this Security, and directs that the shares issuable and deliverable upon such exchange, if any, together with any check in payment of the cash in respect of the remaining Exchange Obligation (as defined in the Indenture) and for fractional shares and any Securities representing any unexchanged principal amount hereof, be issued and delivered to the registered holder hereof unless a different name has been indicated below. If shares or any portion of this Security not exchanged are to be issued in the name of a person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto. Any amount required to be paid to the undersigned on account of interest accompanies this Security.

Dated: ______________________________

____
Signature(s)

____
Signature Guarantee

Signature(s) must be guaranteed by an eligible Guarantor Institution (banks, stock brokers, savings and loan associations and credit unions) with membership in an approved signature guarantee medallion program pursuant to Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended, if shares of Common Stock are to be issued, or Securities to be delivered, other than to and in the name of the registered holder.

Fill in for registration of shares if to be issued, and Securities if to be delivered, other than to and in the name of the registered holder:

(Name)

(Street Address)

(City, State and Zip Code)

Please print name and address

Principal amount to be exchanged (if less than all): $___,000

Social Security or Other Taxpayer Identification Number

FORM OF PUT RIGHT REPURCHASE NOTICE

To: PROLOGIS, L.P.

The undersigned hereby requests and instructs the Company to repay the entire principal amount of this Security, or a portion hereof (which is $1,000 principal amount or an integral multiple thereof) below designated, on _______ in accordance with the terms of the Indenture referred to in this Security at the Put Right Repurchase Price, to the registered holder hereof.

Dated: ______________________________

Signature(s)

____

Social Security or Other Taxpayer
Identification Number Principal amount to be
repaid (if less than all): $___,000

NOTICE:

The above signatures of the holder(s) hereof must correspond with the name as written upon the face of the Security in every particular without alteration or enlargement or any change whatever.

FORM OF FUNDAMENTAL CHANGE REPURCHASE NOTICE

To: PROLOGIS, L.P.

The undersigned registered owner of this Security hereby acknowledges receipt of a notice from Prologis, L.P. (the "Company") as to the occurrence of a Fundamental Change with respect to the Company and requests and instructs the Company to repay the entire principal amount of this Security, or the portion thereof (which is $1,000 principal amount or an integral multiple thereof) below designated, in accordance with the terms of the Indenture referred to in this Security, to the registered holder hereof.

Dated: ______________________________

Signature(s)

____

Social Security or Other Taxpayer
Identification Number Principal amount to be
repaid (if less than all): $___,000

NOTICE:

The above signatures of the holder(s) hereof must correspond with the name as written upon the face of the Security in every particular without alteration or enlargement or any change whatever.

FORM OF ASSIGNMENT AND TRANSFER

For value received hereby sell(s), assign(s) and transfer(s) unto (Please insert social security or Taxpayer Identification Number of assignee) the within Security, and hereby irrevocably constitutes and appoints attorney to transfer the said Security on the books of the Company, with full power of substitution in the premises.

Dated: ______________________________

Signature(s)

____

Signature Guarantee

____

Signature(s) must be guaranteed by an eligible Guarantor Institution (banks, stock brokers, savings and loan associations and credit unions) with membership in an approved signature guarantee medallion program pursuant to Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended, if shares of Common Stock are to be issued, or Securities to be delivered, other than to and in the name of the registered holder.

NOTICE: The signature on the exchange notice, the option to elect repurchase upon a Fundamental Change, the Put Right Notice, or the assignment must correspond with the name as written upon the face of the Security in every particular without alteration or enlargement or any change whatever.

GUARANTEE

FOR VALUE RECEIVED, the undersigned hereby, jointly and severally with any other Guarantors, unconditionally guarantees to the Holder of the accompanying 2.625% Exchangeable Senior Notes due 2038 (the “Note”) issued by Prologis, L.P. (the “Company”) under an Indenture dated as of June 8, 2011 (together with the First Supplemental Indenture thereto, the Second Supplemental Indenture thereto and the Third Supplemental Indenture thereto, the “Indenture”) among the Company, Prologis, Inc., and U.S. Bank National Association, as trustee thereunder (the “Trustee”), (a) the full and prompt payment of the principal of and premium, if any, on such Note when and as the same shall become due and payable, whether at Stated Maturity, by acceleration, by redemption or otherwise, and (b) the full and prompt payment of the interest on such Note when and as the same shall become due and payable, according to the terms of such Note and of the Indenture. In case of the failure of the Company punctually to pay any such principal, premium or interest, the undersigned hereby agrees to cause any such payment to be made punctually when and as the same shall become due and payable, whether at Stated Maturity, upon acceleration, by redemption or otherwise, and as if such payment were made by the Company. The undersigned hereby agrees, jointly and severally with any other Guarantors, that its obligations hereunder shall be as principal and not merely as surety, and shall be absolute and unconditional, and shall not be affected, modified or impaired by the following: (a) the failure to give notice to the Guarantors of the occurrence of an Event of Default under the Indenture; (b) the waiver, surrender, compromise, settlement, release or termination of the payment, performance or observance by the Company or the Guarantors of any or all of the obligations, covenants or agreements of either of them contained in the Indenture or the Notes; (c) the acceleration, extension or any other changes in the time for payment of any principal of or interest or any premium on any Note or for any other payment under the Indenture or of the time for performance of any other obligations, covenants or agreements under or arising out of the Indenture or the Notes; (d) the modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in the Indenture or the Notes; (e) the taking or the omission of any of the actions referred to in the Indenture and in any of the actions under the Notes; (f) any failure, omission, delay or lack on the part of the Trustee to enforce, assert or exercise any right, power or remedy conferred on the Trustee in the Indenture, or any other action or acts on the part of the Trustee or any of the Holders from time to time of the Notes; (g) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets, marshaling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment of, or other similar proceedings affecting the Guarantors or the Company or any of the assets of any of them, or any allegation or contest of the validity of this Guarantee in any such proceeding; (h) to the extent permitted by law, the release or discharge by operation of law of the Guarantors from the performance or observance of any obligation, covenant or agreement contained in the Indenture; (i) to the extent permitted by law, the release or discharge by operation of law of the Company from the performance or observance of any obligation, covenant or agreement contained in the Indenture; (j) the default or failure of the Company or the Trustee fully to perform any of its obligations set forth in the Indenture or the Notes; (k) the invalidity, irregularity or unenforceability of the Indenture or the Notes or any part of any thereof; (l) any judicial or governmental action affecting the Company or any Notes or consent or indulgence granted to the Company by the Holders or by the Trustee; or (m) the

recovery of any judgment against the Company or any action to enforce the same or any other circumstance which might constitute a legal or equitable discharge of a surety or guarantor. The undersigned hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of merger, sale, lease or conveyance of all or substantially all of its assets, insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest or notice with respect to such Notice or the indebtedness evidenced thereby and all demands whatsoever, and covenants that this Guarantee will not be discharged except by complete performance of the obligations contained in such Note and in this Guarantee.

No reference herein to such Indenture and no provision of this Guarantee or of such Indenture shall alter or impair the guarantee of the undersigned, which is absolute and unconditional, of the full and prompt payment of the principal of and premium, if any, and interest on the Note.

THIS GUARANTEE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK.

This Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication on the Note shall have been executed by the Trustee under the Indenture referred to above by the manual signature of one of its authorized officers. The validity and enforceability of this Guarantee shall not be affected by the fact that it is not affixed to any particular Note.

An Event of Default under the Indenture or the Notes shall constitute an event of default under this Guarantee, and shall entitle the Holders of Notes to accelerate the obligations of the undersigned hereunder in the same manner and to the same extent as the obligations of the Company.

Notwithstanding any other provision of this Guarantee to the contrary, the undersigned hereby waives any claims or other rights which it may now have or hereafter acquire against the Company that arise from the existence or performance of its obligations under this Guarantee (all such claims and rights are referred to as “Guarantor’s Conditional Rights”), including, without limitation, any right of subrogation, reimbursement, exoneration, contribution, or indemnification, any right to participate in any claim or remedy against the Company, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, by any payment made hereunder or otherwise, including without limitation, the right to take or receive from the Company, directly or indirectly, in cash or other property or by setoff or in any other manner, payment or security on account of such claim or other rights. Guarantor hereby agrees not to exercise any rights which may be acquired by way of contribution under this Guarantee or any other agreement, by any payment made hereunder or otherwise, including, without limitation, the right to take or receive from any other Guarantor, directly or indirectly, in cash or other property or by setoff or in any other manner, payment or security on account of such contribution rights. If, notwithstanding the foregoing provisions, any amount shall be paid to the undersigned on account of the Guarantor’s Conditional Rights and either (i) such amount is paid to such undersigned party at any time when the indebtedness shall not have been paid or performed in full, or (ii) regardless of when such amount is paid to such undersigned party, any payment made by the Company to a Holder that is at any time determined to be a Preferential Payment (as defined below), then such amount paid to the undersigned shall be held in trust for

the benefit of Holder and shall forthwith be paid to such Holder to be credited and applied upon the indebtedness, whether matured or unmatured. Any such payment is herein referred to as a "Preferential Payment" to the extent the Company makes any payment to Holder in connection with the Note, and any or all of such payment is subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid or paid over to a trustee, receiver or any other entity, whether under any bankruptcy act or otherwise.

To the extent that any of the provisions of the immediately preceding paragraph shall not be enforceable, the undersigned agrees that until such time as the indebtedness has been paid and performed in full and the period of time has expired during which any payment made by the Company or the undersigned to a Holder may be determined to be a Preferential Payment, Guarantor's Conditional Rights to the extent not validly waived shall be subordinate to Holders' right to full payment and performance of the indebtedness and the undersigned shall not enforce any of Guarantor's Conditional Rights until such time as the indebtedness has been paid and performed in full and the period of time has expired during which any payment made by the Company or the undersigned to Holders may be determined to be a Preferential Payment.

The obligations of the undersigned to the Holders of the Notes and to the Trustee pursuant to this Guarantee and the Indenture are expressly set forth in Article 16 of the Indenture and reference is hereby made to the Indenture for the precise terms of this Guarantee and all of the other provisions of the Indenture to which this Guarantee relates.

Capitalized terms used in this Guarantee which are not defined herein shall have the meanings assigned to them in the Indenture.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned has caused this Guarantee to be duly executed.

Dated: June 8, 2011

PROLOGIS, INC.

By: ______________________________

Name: Phillip D. Joseph, Jr.
Title: Senior Vice President and Treasurer

EXHIBIT 4.6

PROLOGIS, L.P.

as Issuer,

PROLOGIS, INC.

as Parent Guarantor

and

U.S. BANK NATIONAL ASSOCIATION

as Trustee

FOURTH SUPPLEMENTAL INDENTURE

Dated as of June 8, 2011

3.250% Exchangeable Senior Notes due 2015

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FOURTH SUPPLEMENTAL INDENTURE

3.250% Exchangeable Senior Notes due 2015

THIS FOURTH SUPPLEMENTAL INDENTURE (this "Fourth Supplemental Indenture"), is dated as of June 8, 2011, by and among PROLOGIS, L.P., a Delaware limited partnership (hereinafter called the "Company"), having its principal office at Pier 1, Bay 1, San Francisco, California 94111, PROLOGIS, INC., a Maryland corporation (hereinafter called "Parent"), having its principal office at Pier 1, Bay 1, San Francisco, California 94111 and U.S. BANK NATIONAL ASSOCIATION, as Trustee under the Base Indenture (hereinafter called the "Trustee"), having its Corporate Trust Office at 100 Wall Street, Suite 1600, New York, New York 10005, under the Base Indenture (defined below).

RECITALS:

The Company, Parent and the Trustee have heretofore entered into an Indenture dated as of June 8, 2011, as amended by a First Supplemental Indenture dated as of June 8, 2011, a Second Supplemental Indenture dated as of June 8, 2011 and a Third Supplemental Indenture dated as of June 8, 2011 (as so supplemented hereinafter called the "Base Indenture"), among the Company, Parent and the Trustee, providing for the issuance by the Company from time to time of its senior debt securities evidencing its unsubordinated indebtedness (the "Securities").

Section 301 of the Base Indenture provides for various matters with respect to any series of Securities issued under the Base Indenture to be established in an indenture supplemental to the Base Indenture.

Section 901(7) of the Base Indenture provides for the Company, Parent and the Trustee to enter into an indenture supplemental to the Base Indenture to establish the form or terms of Securities of any series as provided by Sections 201 and 301 of the Base Indenture without the consent of the Holders of any Securities.

WHEREAS, for its lawful corporate purposes, the Company has duly authorized the issue of its 3.250% Exchangeable Senior Notes due 2015 (hereinafter referred to as the "Notes"), initially in an aggregate principal amount not to exceed $451,180,000, and in order to provide the terms and conditions upon which the Notes are to be authenticated, issued and delivered, the Board of Directors has duly authorized the execution and delivery of this Fourth Supplemental Indenture; and

WHEREAS, the Notes, the certificate of authentication to be borne by the Notes, a form of assignment, a form of the Fundamental Change Repurchase Notice, a form of exchange notice, a form of certificate of transfer and the Guarantee to be borne by the Notes are to be substantially in the forms hereinafter provided for; and

All things necessary to make the Base Indenture, as hereby modified, a valid agreement of the Company and Parent, in accordance with its terms, have been done.

NOW THEREFORE, THIS FOURTH SUPPLEMENTAL INDENTURE WITNESSETH:

For and in consideration of the premises and of the covenants contained herein and in the Base Indenture, the Company, Parent and the Trustee covenant and agree, for the equal and proportionate benefit of all Holders of the Notes issued on or after the date of this Fourth Supplemental Indenture, as follows:

ARTICLE I

DEFINITIONS

Section 1.01 *Relation to Base Indenture*. This Fourth Supplemental Indenture constitutes an integral part of the Base Indenture.

Section 1.02 *Definitions*. For all purposes of this Fourth Supplemental Indenture, except as otherwise expressly provided for or unless the context otherwise requires:

(a) Capitalized terms used but not defined herein shall have the respective meanings assigned to them in the Base Indenture;

(b) Terms defined both herein and in the Base Indenture shall have the meanings assigned to them herein;

(c) All references herein to Articles and Sections, unless otherwise specified, refer to the corresponding Articles and Sections of this Fourth Supplemental Indenture; and

(d) All other terms used in this Fourth Supplemental Indenture, which are defined in the Trust Indenture Act or which are by reference therein defined in the Securities Act (except as herein otherwise expressly provided or unless the context otherwise requires) shall have the meanings assigned to such terms in said Trust Indenture Act and in said Securities Act as in force at the date of the execution of this Fourth Supplemental Indenture. The words "herein," "hereof," "hereunder," and words of similar import refer to this Fourth Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision. The terms defined in this Article include the plural as well as the singular.

"Additional Shares" shall have the meaning specified in Section 8.01(g).

"Board of Directors" means the board of directors of Parent or, if Parent shall be succeeded by a corporation pursuant to Article VII, the board of directors of Parent's corporate successor or any committee of such applicable board of directors duly authorized to act generally or in any particular respect hereunder.

"Business Day" means any day, other than a Saturday or Sunday, or legal holidays on which banks in The City of New York are not authorized or required by law or executive order to be closed.

"cash percentage" shall have the meaning specified in Section 8.02(a)(4).

"cash percentage notice" shall have the meaning specified in Section 8.02(a)(4).

"close of business" means 5:00 p.m. (New York City time).

"Change of Control" shall be deemed to occur upon the consummation of any transaction or event (whether by means of an exchange offer, liquidation, tender offer, consolidation, merger, combination, reclassification, recapitalization or otherwise) in connection with which more than 50% of the shares of Common Stock are exchanged for, converted into, acquired for or constitutes solely the right to receive, consideration which is not at least 90% common stock (or American Depositary Shares representing shares of common stock) that is: (a) listed on, or immediately after the consummation of such transaction or event, will be listed on, a United States national securities exchange or (b) approved, or immediately after such transaction or event will be approved, for listing or quotation on any United States system of automated dissemination of quotations of securities prices.

"Common Stock" means, subject to Section 8.06, the common stock of Parent, par value $0.01 per share, at the date of this Fourth Supplemental Indenture or shares of any class or classes resulting from any reclassification or reclassifications thereof and that have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation, dissolution or winding up of Parent and that are not subject to redemption by Parent; *provided* that if at any time there shall be more than one such resulting class, the shares of each such class then so issuable shall be substantially in the proportion which the total number of shares of such class resulting from all such reclassifications bears to the total number of shares of all such classes resulting from all such reclassifications.

"Company" means Prologis, L.P., a Delaware limited partnership, and subject to the provisions of Article VII, shall include its successors and assigns.

"Daily Exchange Value" means, for each of the 20 consecutive Trading Days during the Observation Period, one-twentieth (1/20) of the product of (a) the applicable Exchange Rate and (b) the Daily VWAP of the Common Stock (or the Reference Property, if applicable) on such day.

"Daily Settlement Amount," for each of the 20 Trading Days during the Observation Period, shall consist of:

(i) cash equal to the lesser of $50 and the Daily Exchange Value relating to such day; and

(ii) if such Daily Exchange Value exceeds $50, a number of shares of Common Stock equal to (A) the difference between such Daily Exchange Value and $50, divided by (B) the Daily VWAP of the shares of Common Stock for such day, subject to the Company's right to deliver cash in lieu of all or a portion of such shares of Common Stock pursuant to Section 8.02(a)(4) hereof.

"Daily VWAP" for the Common Stock means, for each of the 20 consecutive Trading Days during the Observation Period, the per share volume-weighted average price as displayed under the heading "Bloomberg VWAP" on Bloomberg page PLD <equity> AQR in respect of the period from 9:30 a.m. to 4:00 p.m. (New York City time) on such Trading Day (or if such volume-weighted average price is unavailable, the market value of one share of Common

Stock on such Trading Day as the Board of Directors determines in good faith using a volume-weighted method).

"Depositary" means, with respect to the Notes issuable or issued in whole or in part in global form, the person specified in the Base Indenture as the Depositary with respect to such Notes, until a successor shall have been appointed and become such pursuant to the applicable provisions of this Fourth Supplemental Indenture, and thereafter, "Depositary" shall mean or include such successor.

"Distributed Property" shall have the meaning specified in Section 8.04(c).

"Dividend Threshold Amount" shall have the meaning specified in Section 8.04(d).

"Effective Date" shall have the meaning specified in Section 8.01(g)(ii).

"Event of Default" means, with respect to the Notes, any event specified in Section 5.01, continued for the period of time, if any, and after the giving of notice, if any, therein designated.

"Ex-Date" means, with respect to any issuance or distribution on the Common Stock or any other equity security, the first date on which the shares of Common Stock or such other equity security trade on the applicable exchange or in the applicable market, regular way, without the right to receive such issuance or distribution.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Exchange Agent" shall mean the Trustee or any successor office or agency where the Notes may be surrendered for exchange.

"Exchange Date" shall have the meaning specified in Section 8.02(c).

"Exchange Obligation" shall have the meaning specified in Section 8.01(a).

"Exchange Price" means as of any date $1,000 divided by the Exchange Rate as of such date.

"Exchange Rate" shall have the meaning specified in Section 8.01(a).

"Fundamental Change" means a Change of Control or a Termination of Trading.

"Fundamental Change Company Notice" shall have the meaning specified in Section 9.02(b).

"Fundamental Change Repurchase Date" shall have the meaning specified in Section 9.02(a).

"Fundamental Change Repurchase Notice" shall have the meaning specified in Section 9.02(a)(i).

"Fundamental Change Repurchase Price" shall have the meaning specified in Section 9.02(a).

"Global Note" shall have the meaning specified in Section 2.06(e).

"interest" means, when used with reference to the Notes, any interest payable under the terms of the Notes.

"Interest Payment Date" means March 15 and September 15 of each year, beginning on September 15, 2011.

"Last Reported Sale Price" means, with respect to the shares of Common Stock or any other security for which a Last Reported Sale Price must be determined, on any date, the closing sale price per share of the Common Stock or unit of such other security (or, if no closing sale price is reported, the average of the last bid and last ask prices or, if more than one in either case, the average of the average last bid and the average last ask prices) on such date as reported in composite transactions for the principal United States securities exchange on which the Common Stock or such other security is traded. If the Common Stock or such other security is not listed for trading on a United States national or regional securities exchange on the relevant date, the Last Reported Sale Price shall be the last quoted bid price per share of Common Stock or such other security in the over-the-counter market on the relevant date, as reported by the National Quotation Bureau or similar organization. If the shares of Common Stock or such other security are not so quoted, the Last Reported Sale Price shall be the average of the mid-point of the last bid and ask prices per share of Common Stock or such other security on the relevant date from each of at least three nationally recognized independent investment banking firms selected from time to time by the Board of Directors for that purpose. The Last Reported Sale Price shall be determined without reference to extended or after-hours trading.

"Market Disruption Event" means the occurrence or existence for more than a one-half hour period in the aggregate on any scheduled Trading Day for the Common Stock of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the stock exchange or otherwise) in the Common Stock or in any options, contracts or future contracts relating to the Common Stock, and such suspension or limitation occurs or exists at any time before 1:00 p.m. (New York City time) on such day.

"Maturity Date" means March 15, 2015.

"Noteholder" or "Holder" or "holder," as applied to any Note, or other similar terms (but excluding the term "beneficial holder"), means any person in whose name at the time a particular Note is registered on the Security Register.

"Notice of Exchange" shall have the meaning specified in Section 8.02(c).

"Observation Period" means the 20 consecutive Trading Day period beginning on and including the second Trading Day after the related Exchange Date in respect of such Note.

"opening of business" means 9:00 a.m. (New York City time).

"Parent" means Prologis, Inc., a Maryland corporation, and subject to the provisions of Article VII, shall include its successors and assigns.

"Predecessor Note" of any particular Note means every previous Note evidencing all or a portion of the same debt as that evidenced by such particular Note; and, for the purposes of this definition, any Note authenticated and delivered under Section 306 of the Base Indenture in lieu of a lost, destroyed or stolen Note shall be deemed to evidence the same debt as the lost, destroyed or stolen Note that it replaces.

"Record Date," with respect to the payment of interest on any Interest Payment Date, shall have the meaning specified in Section 2.03.

"Reference Property" shall have the meaning specified in Section 8.06(b).

"Reorganization Event" shall have the meaning specified in Section 8.06.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Settlement Amount" shall have the meaning specified in Section 8.02(a)(1).

"Spin-Off" shall have the meaning specified in Section 8.04(c).

"Stock Price" means the price paid per share of Common Stock in connection with a Fundamental Change pursuant to which Additional Shares shall be added to the Exchange Rate as set forth in Section 8.01(g) hereof, which shall be equal to (i) if holders of shares of Common Stock receive only cash in such Fundamental Change, the cash amount paid per share of Common Stock and (ii) in all other cases, the average of the Last Reported Sale Prices of the Common Stock over the five consecutive Trading Day period ending on the Trading Day preceding the Effective Date of the Fundamental Change.

"Termination of Trading" shall be deemed to occur if the Common Stock, or any Common Stock (or American Depositary Receipts in respect of Common Stock) into which the Notes are exchangeable pursuant to the terms of this Fourth Supplemental Indenture, are not listed for trading on any of the New York Stock Exchange, the NASDAQ Global Market or the NASDAQ Global Select Market (or any of their respective successors).

"Trading Day" means a day during which (i) trading in Common Stock generally occurs, (ii) there is no Market Disruption Event and (iii) a Last Reported Sale Price of the Common Stock (other than a Last Reported Sale Price referred to in the next to last sentence of such definition) is available for such day; *provided* that if the shares of Common Stock are not admitted for trading or quotation on or by any exchange, bureau or other organization referred to in the definition of Last Reported Sale Price (excluding the next to last sentence of that definition), Trading Day shall mean any Business Day.

"Trigger Event" shall have the meaning specified in Section 8.04(c).

ARTICLE II

ISSUE, DESCRIPTION, EXECUTION, REGISTRATION AND EXCHANGE OF NOTES

Section 2.01 *Designation and Amount*. The Notes shall be designated as the "3.250% Exchangeable Senior Notes due 2015." The aggregate principal amount of Notes that may be authenticated and delivered under this Fourth Supplemental Indenture is initially limited to $451,180,000, subject to Section 2.07 and except for Notes authenticated and delivered upon registration or transfer of, or in exchange for, or in lieu of other Notes pursuant to Section 2.06, Section 8.02 and Section 9.02 hereof and Section 306 and Section 906 of to the Base Indenture.

Section 2.02 *Form of Notes*. The Notes, the Guarantee and the Trustee's certificate of authentication to be borne by such Notes shall be substantially in the form set forth in Exhibit A.

Any of the Notes may have such letters, numbers or other marks of identification and such notations, legends or endorsements as the officers executing the same may approve (execution thereof to be conclusive evidence of such approval) and as are not inconsistent with the provisions of this Fourth Supplemental Indenture, or as may be required by the Depositary, or as may be required to comply with any law or with any rule or regulation made pursuant thereto or with any rule or regulation of any securities exchange or automated quotation system on which the Notes may be listed or designated for issuance, or to conform to usage or to indicate any special limitations or restrictions to which any particular Notes are subject.

A Global Note shall represent such principal amount of the Outstanding Notes as shall be specified therein and shall provide that it shall represent the aggregate principal amount of Outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of Outstanding Notes represented thereby may from time to time be increased or reduced to reflect repurchases, conversions, transfers or exchanges permitted hereby. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the amount of Outstanding Notes represented thereby shall be made by the Trustee or the Custodian, at the direction of the Trustee, in such manner and upon instructions given by the Holder of such Notes in accordance with this Fourth Supplemental Indenture. Payment of principal and accrued and unpaid interest on a Global Note shall be made to the Holder of such Note on the date of payment, unless a Record Date or other means of determining Holders eligible to receive payment is provided for herein.

The terms and provisions contained in the form of Note attached as Exhibit A hereto are incorporated herein and shall constitute, and are hereby expressly made, a part of this Fourth Supplemental Indenture and to the extent applicable, the Company, Parent and the Trustee, by their execution and delivery of this Fourth Supplemental Indenture, expressly agree to such terms and provisions and to be bound thereby.

Section 2.03 *Date and Denomination of Notes; Payments of Interest*. The Notes shall be issuable in registered form without coupons in denominations of $1,000 principal

amount and integral multiples thereof. Each Note shall be dated the date of its authentication and shall bear interest from the date specified on the face of the form of Note attached as Exhibit A hereto. Interest on the Notes shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

The Person in whose name any Note (or its Predecessor Note) is registered on the Security Register at the close of business on any Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date. Interest shall be payable at the office of the Company maintained by the Company for such purposes in the Borough of Manhattan, City of New York, which shall initially be an office or agency of the Trustee. The Company shall pay interest (i) on any Notes in certificated form by check mailed to the address of the Person entitled thereto as it appears in the Security Register (or upon written application by such Person to the Security Registrar not later than the relevant record date, by wire transfer in immediately available funds to such Person's account within the United States, if such Person is entitled to interest on an aggregate principal in excess of $1,000,000) or (ii) on any Global Note by wire transfer of immediately available funds to the account of the Depositary or its nominee. The term "Record Date" with respect to any Interest Payment Date shall mean the March 1 or September 1 preceding the applicable March 15 or September 15 Interest Payment Date, respectively.

Section 2.04 *Intentionally Omitted.*

Section 2.05 *Execution, Authentication and Delivery of Notes*. Section 303 of the Base Indenture shall be applicable to the Notes.

Section 2.06 *Exchange and Registration of Transfer of Notes; Restrictions on Transfer; Depositary.*

(a) The Company shall provide for the registration of the Notes and of transfers of the Notes in the Security Register. Upon surrender for registration of transfer of any Note to the Security Registrar or any co-registrar, and satisfaction of the requirements for such transfer set forth in this Section 2.06, the Company shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Notes of any authorized denominations and of a like aggregate principal amount.

Notes may be exchanged for other Notes of any authorized denominations and of a like aggregate principal amount, upon surrender of the Notes to be exchanged at any such office or agency maintained by the Company pursuant to Section 4.02. Whenever any Notes are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Notes which the Noteholder making the exchange is entitled to receive, bearing registration numbers not contemporaneously outstanding.

All Notes presented or surrendered for registration of transfer or for exchange, repurchase or conversion shall (if so required by the Company, the Trustee, the Security Registrar or any co-registrar) be duly endorsed, or be accompanied by a written instrument or instruments of transfer in form satisfactory to the Company and duly executed, by the Noteholder thereof or his attorney-in-fact duly authorized in writing.

No service charge shall be charged to the Noteholder for any exchange or registration of transfer of Notes, but the Company or the Trustee may require payment of a sum sufficient to cover any tax, assessments or other governmental charges that may be imposed in connection therewith.

None of the Company, the Trustee, the Security Registrar or any co-registrar shall be required to exchange or register a transfer of (a) any Notes surrendered for exchange or, if a portion of any Note is surrendered for exchange, such portion thereof surrendered for exchange or (b) any Notes, or a portion of any Note, surrendered for repurchase (and not withdrawn) in accordance with Article IX hereof.

All Notes issued upon any registration of transfer or exchange of Notes in accordance with this Fourth Supplemental Indenture shall be the valid, binding and legal obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Fourth Supplemental Indenture as the Notes surrendered upon such registration of transfer or exchange.

(b) *Intentionally Omitted.*

(c) *Intentionally Omitted.*

(d) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this instrument or under applicable law with respect to any transfer of any interest in any Note other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by, the terms of this instrument, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

(e) So long as the Notes are eligible for book-entry settlement with the Depositary, unless otherwise required by law, all Notes shall be represented by one or more Notes in global form (each, a "Global Note") registered in the name of the Depositary or the nominee of the Depositary. The transfer and exchange of beneficial interests in a Global Note, which does not involve the issuance of a definitive Note, shall be effected through the Depositary (but not the Trustee or the Custodian) in accordance with this Fourth Supplemental Indenture (including the restrictions on transfer set forth herein) and the procedures of the Depositary therefor.

Section 2.07 *Additional Notes; Repurchases.* The Company may, without the consent of the Noteholders and notwithstanding Section 2.01, issue additional Notes hereunder with the same terms and with the same CUSIP number as the Notes initially issued hereunder in an unlimited aggregate principal amount, which will form the same series with the Notes initially issued hereunder, *provided* that no such additional Notes may be issued unless fungible with the Notes initially issued hereunder for United States federal income tax purposes. The Company may also from time to time repurchase the Notes in open market purchases by tender at any price or by private agreement without prior notice to Noteholders.

Section 2.08 *No Sinking Fund.* The provisions of Article Twelve of the Base Indenture shall not be applicable to the Notes. No sinking fund is provided for the Notes.

Section 2.09 *Ranking*. The Notes constitute a senior general obligation of the Company, ranking equally with other existing and future senior and unsubordinated indebtedness of the Company and ranking senior in right of payment to any future indebtedness of the Company that is expressly made subordinate to the Notes by the terms of such indebtedness.

ARTICLE III

REDEMPTION

Section 3.01 *Right to Redeem.*

(a) Notwithstanding any provision of the Base Indenture, as modified by this Fourth Supplemental Indenture, to the contrary, the Company may redeem the Notes prior to March 15, 2015, in whole, in order to preserve Parent's status as a real estate investment trust under the Code.

(b) *Intentionally Omitted.*

(c) Any redemption of Notes shall be at a Redemption Price equal to 100% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest; *provided, however*, that the Company may deduct and withhold from such Redemption Price any amount required to be deducted and withheld under applicable law.

Section 3.02 *Selection of Notes to be Redeemed.* The provisions of Section 1103 of the Base Indenture shall govern the selection of Notes to be redeemed by the Trustee.

Section 3.03 *Notice of Redemption.* The provisions of Section 1104 of the Base Indenture shall govern notices of redemption of the Notes;*provided, however,* that in addition to the information specified in Section 1104 of the Base Indenture, notices of redemption of the Notes shall also state:

(a) the then-current Exchange Price;

(b) the name and address of the Exchange Agent;

(c) that Holders who wish to exchange Notes must surrender such Notes for exchange no later than the close of business on the second Business Day immediately preceding the Redemption Date and must satisfy the other requirements set forth herein; and

(d) whether the Company will satisfy its Exchange Obligation with respect to any Notes called for redemption that are surrendered for exchange in cash, shares of Common Stock or both as provided herein; *provided* that the Company may not provide notice of a redemption of Notes at the Company's option that specifies that the Company will settle exchanges of Notes prior to such redemption in cash and shares of Common Stock unless, at the time of such notice, the Company has available to it a sufficient number of authorized shares of Common Stock to satisfy its Exchange Obligation in respect of the Notes to be redeemed.

ARTICLE IV

PARTICULAR COVENANTS OF THE COMPANY

Section 4.01 *Payment of Principal and Interest.*

(a) Sections 307 and 1001 of the Base Indenture shall apply to the Notes; *provided, however,* that, with respect to any Noteholder with an aggregate principal amount in excess of $1,000,000, at the application of such Holder in writing to the Security Registrar not later than the relevant record date, accrued and unpaid interest on such Holder's Notes shall be paid by wire transfer in immediately available funds to such Holder's account in the United States supplied by such Holder from time to time to the Trustee and Paying Agent (if different from Trustee); *provided further* that payment of accrued and unpaid interest made to the Depositary shall be paid by wire transfer in immediately available funds in accordance with such wire transfer instructions and other procedures provided by the Depositary from time to time.

(b) Except as otherwise provided in this Section 4.01(b), a Holder of any Notes at the close of business on a Record Date shall be entitled to receive interest on such Notes on the corresponding Interest Payment Date. A Holder of any Notes as of a Record Date that are exchanged after the close of business on such Record Date and prior to the opening of business on the corresponding Interest Payment Date shall be entitled to receive interest on the principal amount of such Notes, notwithstanding the exchange of such Notes prior to such Interest Payment Date. However, a Holder that surrenders any Notes for exchange between the close of business on a Record Date and the opening of business on the corresponding Interest Payment Date shall be required to pay the Company an amount equal to the interest payable by the Company with respect to such Notes on such Interest Payment Date at the time such Holder surrenders such Notes for exchange, *provided, however,* that this sentence shall not apply to a Holder that exchanges Notes:

(i) in respect of which the Company has given notice of redemption pursuant to Section 3.03 on a Redemption Date that is after the relevant Record Date and on or prior to the relevant Interest Payment Date; or

(ii) to the extent of any overdue interest, if any overdue interest exists at the time of exchange with respect to such Notes;

(iii) in connection with a Fundamental Change in which the Company has specified a Fundamental Change Repurchase Date that is after a Record Date and on or prior to the next Interest Payment Date; or

(iv) after 5:00 p.m., New York City time on the Record Date immediately preceding the Maturity Date.

Accordingly, a Holder that exchanges Notes under any of the circumstances described in clauses (i), (ii), (iii) or (iv) above will not be required to pay to the Company an

amount equal to the interest payable by the Company with respect to such Notes on the relevant Interest Payment Date.

Section 4.02 *Maintenance of Office or Agency for Exchange Agent.* If at any time the Exchange Agent is not the Trustee or an office or agency designated or appointed by the Trustee, the Company will give prompt written notice to the Trustee of the location of such Exchange Agent. If at any time the Company shall fail to maintain an office or agency for the Exchange Agent, presentations, surrenders, notices and demands related to exchanges of Notes may be made or served at the Corporate Trust Office or the office or agency of the Trustee in the Borough of Manhattan, the City of New York.

Section 4.03 *Intentionally Omitted.*

Section 4.04 *Intentionally Omitted.*

Section 4.05 *Exclusion of Certain Provisions From Base Indenture.* Section 1004, Section 1006, Section 1007, Section 1011 and Article Fourteen of the Base Indenture shall not apply to the Notes. Section 1002, Section 1003, Section 1005, Section 1008, Section 1009, Section 1010 and Section 1012 of the Base Indenture shall be applicable to the Notes.

ARTICLE V

DEFAULTS AND REMEDIES

Section 5.01 *Events of Default.* The provisions of Section 501(2) and Section 501(3) of the Base Indenture shall not be applicable to the Notes. As contemplated under Section 301 and Section 501(9) of the Base Indenture, the following events, in addition to the events described in clauses (1), (4), (5), (6), (7) and (8) of Section 501 of the Base Indenture, shall be Events of Default with respect to the Notes:

(a) default in the payment of principal or premium, if any, of any Note when due and payable on the Maturity Date, upon redemption, repurchase, declaration or otherwise;

(b) failure by the Company to comply with its obligation to exchange the Notes into cash, shares of Common Stock or a combination of cash and shares of Common Stock, as applicable, upon exercise of a Holder's exchange right, and such failure continues for a period of ten days; or

(c) failure by the Company to issue a Fundamental Change Company Notice in accordance with Section 9.02 when due, and such failure continues for a period of two days.

Section 5.02 *Article Five of Base Indenture*. Except as amended by Section 5.01 hereof, all of the provisions of Article Five of the Base Indenture shall be applicable to the Notes.

ARTICLE VI

SUPPLEMENTAL INDENTURES

Section 6.01 *Supplemental Indentures Without Consent of Noteholders.* The provisions of Section 901 of the Base Indenture shall be applicable to the Notes.

Section 6.02 *Modification and Amendment with Consent of Noteholders.* Section 902 of the Base Indenture shall be applicable to the Notes. As contemplated by Sections 301 and 902 of the Base Indenture, no supplemental indenture shall, without the consent of the Holder of each Outstanding Note affected thereby:

(a) make any change that adversely affects the exchange rights of any Notes;

(b) reduce the Fundamental Change Repurchase Price or Redemption Price of any Note, or amend or modify in any manner adverse to Noteholders the Company's obligation to make such payments or Article III or Article IX of this Fourth Supplemental Indenture, whether through an amendment or waiver of provisions in the covenants, definitions or otherwise.

Section 6.03 *Effect of Supplemental Indentures*. Upon the execution of any supplemental indenture under this Article, the Base Indenture and this Fourth Supplemental Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Fourth Supplemental Indenture for all purposes; and every Holder of Notes theretofore or thereafter authenticated and delivered hereunder and of any coupon appertaining thereto shall be bound thereby.

Section 6.04 *Article Nine of Base Indenture.* Except as amended by this Article VI, all of the provisions of Article Nine of the Base Indenture shall be applicable to the Notes.

ARTICLE VII

CONSOLIDATION, MERGER, SALE, CONVEYANCE AND LEASE

Section 7.01 *Company May Consolidate, Etc. on Certain Terms.* Article Eight of the Base Indenture shall be applicable to the Notes.

ARTICLE VIII

EXCHANGE OF NOTES

Section 8.01 *Exchange Privilege*.

(a) Subject to the conditions described in Section 8.11 hereof, and upon compliance with the provisions of this Article VIII, a Holder of Notes shall have the right, at such Holder's option, to exchange all or any portion (if the portion to be exchanged is $1,000

principal amount or an integral multiple thereof) of such Note at any time prior to the close of business on the scheduled Trading Day immediately preceding the Maturity Date at a rate (the "Exchange Rate") of 25.8244 shares of Common Stock (subject to adjustment by the Company as provided in Section 8.04) per $1,000 principal amount of Notes (the "Exchange Obligation") under the circumstances and during the periods set forth below.

(b) *Intentionally Omitted.*

(c) *Intentionally Omitted.*

(d) In the event that the Company has delivered a notice of redemption in accordance with Section 1104 of the Base Indenture and Section 3.03 of this Fourth Supplemental Indenture to the Holders of Notes, a Holder of Notes may exchange Notes at any time prior to the close of business on the second Business Day immediately preceding the corresponding Redemption Date; *provided, however,* that a Holder who has already delivered a Fundamental Change Repurchase Notice with respect to a Note may not exchange such Note until the Holder has withdrawn the Fundamental Change Repurchase Notice in accordance with the terms of the Note and this Fourth Supplemental Indenture.

(e) *Intentionally Omitted.*

(f) *Intentionally Omitted.*

(g) (i) If a Noteholder elects to exchange Notes in connection with a Fundamental Change, the Exchange Rate applicable to each $1,000 principal amount of Notes so exchanged shall be increased by an additional number of shares of Common Stock (the "Additional Shares") as described below. Settlement of Notes tendered for exchange to which Additional Shares shall be added to the Exchange Rate as provided in this subsection shall be settled pursuant to Section 8.02 below, as applicable. For purposes of this Section 8.01(g), an exchange shall be deemed to be "in connection with" a Fundamental Change to the extent that the related exchange notice is delivered during the time period beginning on the 30th Trading Day prior to the anticipated Effective Date of such Fundamental Change and ending on the related Fundamental Change Repurchase Date, inclusive. Such exchange notice shall indicate that the Holder of Notes has elected to exchange Notes in connection with a Fundamental Change; *provided, however*, that the failure to so indicate shall not in any way affect the Exchange Obligation or the right of such Holder to receive Additional Shares in connection with such exchange. The Company shall give notice to all record Noteholders and the Trustee and issue a press release of the Fundamental Change no later than 30 scheduled Trading Days prior to the anticipated effective date of the Fundamental Change.

(ii) The number of Additional Shares by which the Exchange Rate will be increased shall be determined by reference to the table attached as Schedule A hereto, based on the date on which the Fundamental Change occurs or becomes effective (the "Effective Date"), and the Stock Price; *provided*, that if the Stock Price is between two Stock Price amounts in the table or the Effective Date is between two Effective Dates in the table, the number of Additional Shares shall be determined by a straight-line interpolation between the number of Additional Shares set forth for the next higher and

next lower Stock Price amounts and the two nearest Effective Dates, as applicable, based on a 365-day year; *provided further* that if (1) the Stock Price is greater than $89.61 per share of Common Stock (subject to adjustment in the same manner as set forth in Section 8.04), no Additional Shares will be added to the Exchange Rate, and (2) the Stock Price is less than $30.02 per share of Common Stock (subject to adjustment in the same manner as set forth in Section 8.04), no Additional Shares will be added to the Exchange Rate. Notwithstanding the foregoing, in no event will the total number of shares of Common Stock issuable upon exchange exceed 33.3134 per $1,000 principal amount of Notes (subject to adjustment in the same manner as set forth in clauses (a), (b) and (c) of Section 8.04).

(iii) The Stock Prices set forth in the first row of the table in Schedule A hereto shall be adjusted as of any date on which the Exchange Rate of the Notes is adjusted. The adjusted Stock Prices shall equal the Stock Prices applicable immediately prior to such adjustment, multiplied by a fraction, the numerator of which is the Exchange Rate in effect immediately prior to the adjustment giving rise to the Stock Price adjustment and the denominator of which is the Exchange Rate as so adjusted. The number of Additional Shares within the table shall be adjusted in the same manner as the Exchange Rate as set forth in Section 8.04 (other than by operation of an adjustment to the Exchange Rate by adding Additional Shares).

Section 8.02 *Exchange Procedures*.

(a) (1) The Company shall settle its Exchange Obligations as described in Section 8.02(a)(3), unless, within the applicable time period specified in this Section 8.02(a)(1), the Company elects to settle its Exchange Obligations as described in Section 8.02(a)(2) or Section 8.02(a)(4). The cash and/or shares of Common Stock which the Company is required to deliver in accordance with this Section 8.02 in settlement of its Exchange Obligations is referred to herein as the "Settlement Amount." If the Company desires to settle its Exchange Obligations as described in Section 8.02(a)(2) or Section 8.02(a)(4), the Company shall notify each exchanging Noteholder by notice to the Trustee (for further distribution to Noteholders) of the method the Company will choose to satisfy its Exchange Obligations no later than the second Trading Day immediately following the Company's receipt of a Notice of Exchange from such Holder, and such notice shall specify the section of this Fourth Supplemental Indenture pursuant to which the Company is electing to satisfy its exchange obligations. The Company shall treat all Noteholders exchanging on the same Trading Day in the same manner; however, the Company shall not have any obligation to settle its Exchange Obligations arising on different Trading Days in the same manner.

(2) If the Company has elected, within the applicable time periods specified in Section 8.02(a)(1), to settle its Exchange Obligations as described in this Section 8.02(a)(2), the Company shall have the right to settle its Exchange Obligations entirely in shares of Common Stock. If the Company elects to satisfy its Exchange Obligation entirely in shares of Common Stock, the Company shall deliver a number of shares of Common Stock equal to (i) the aggregate principal amount of Notes to be exchanged divided by $1,000, multiplied by (ii) the applicable Exchange Rate (which shall include any increases to reflect any Additional Shares that such Holder is entitled to receive

pursuant to Section 8.01(g) above). The Company shall deliver such shares of Common Stock as soon as practicable after it has notified the exchanging Holder, pursuant to Section 8.02(a)(1) above, that it has elected to satisfy its Exchange Obligation entirely in shares of Common Stock.

(3) If the Company does not elect, within the applicable time periods specified in Section 8.02(a)(1), to settle its Exchange Obligations as described in Section 8.02(a)(2) or 8.02(a)(4), the Company shall settle its Exchange Obligations as described in this Section 8.02(a)(3), subject to Section 8.02(b) hereof. The Company shall deliver in respect of each $1,000 principal amount of Notes being exchanged a Settlement Amount equal to the sum of the Daily Settlement Amounts for each of the 20 consecutive Trading Days during the Observation Period, on the third Trading Day immediately following the last day of the related Observation Period; provided that the Company will deliver cash in lieu of fractional shares of Common Stock as set forth pursuant to clause (k) below. The Daily Settlement Amounts shall be determined by the Company promptly following the last day of the Observation Period.

(4) If the Company has elected, within the applicable time periods specified in Section 8.02(a)(1), to settle its Exchange Obligations as described in this Section 8.02(a)(4), the Company shall have the right to settle all or a portion of the amount by which the Daily Exchange Value exceeds $50 in cash in accordance with this Section 8.02(a)(4). In such case, the Company shall specify a percentage of the amount by which the Daily Exchange Value exceeds $50 that will be settled in cash, or the "cash percentage." The Company will inform exchanging Holders by notice to the Trustee (for further distribution to Noteholders) no later than two Trading Days prior to the first day of the applicable Observation Period if it elects to pay cash upon exchange of the Notes and shall specify in such notice (the "cash percentage notice") the applicable cash percentage. If the Company elects to specify a cash percentage, the amount of cash that the Company shall deliver in respect of each Trading Day in the applicable Observation Period shall equal the product of (w) the cash percentage and (x) the amount by which the Daily Exchange Value exceeds $50 for such Trading Day. The number of shares of Common Stock deliverable in respect of each Trading Day in the applicable Observation Period shall equal (i) the product of (y) 100% minus the cash percentage and (z) the amount by which the Daily Exchange Value exceeds $50 for such Trading Day, divided by (ii) the Daily VWAP of the Common Stock for such Trading Day. If the Company does not specify a cash percentage, it must settle the entire amount by which the Daily Exchange Value exceeds $50 with shares of Common Stock pursuant to Section 8.02(a)(3) above; provided, however, that the Company will deliver cash in lieu of fractional shares of Common Stock as set forth pursuant to clause (k) below. If the Company specifies a cash percentage, the Company shall satisfy its Exchange Obligation by delivering, on the third Trading Day immediately following the last day of the related Observation Period, the amount of cash and the number of shares of Common Stock deliverable pursuant to this Section 8.02(a)(4).

(b) Notwithstanding Section 8.02(a), the Company shall satisfy the Exchange Obligation with respect to each $1,000 principal amount of Notes tendered for

exchange to which Additional Shares shall be added to the Exchange Rate as set forth in Section 8.01(g) pursuant to this clause (b).

(1) If the last day of the applicable Observation Period related to Notes surrendered for exchange is prior to the third Trading Day preceding the Effective Date of the Fundamental Change, the Company will satisfy the related Exchange Obligation with respect to each $1,000 principal amount of Notes tendered for exchange as described in Section 8.01(a) by delivering the amount of cash and shares of Common Stock, if any (based on the Exchange Rate, but without regard to the number of Additional Shares to be added to the Exchange Rate pursuant to Section 8.01(g)) on the third Trading Day immediately following the last day of the applicable Observation Period. In addition, as soon as practicable following the Effective Date of the Fundamental Change, the Company will deliver the increase in such amount of cash and Reference Property deliverable in lieu of shares of Common Stock, if any, as if the Exchange Rate had been increased by such number of Additional Shares during the related Observation Period (and based upon the related Daily VWAP prices during such Observation Period). If such increased amount of cash and Common Stock, if any, results in an increase to the amount of cash to be paid to Holders, the Company will pay such increase in cash, and if such increased amount results in an increase to the number of shares of Common Stock, the Company will deliver such increase by delivering Reference Property based on such increased number of shares.

(2) If the last day of the applicable Observation Period related to Notes surrendered for exchange is on or following the third scheduled Trading Day preceding the Effective Date of such Fundamental Change, the Company will satisfy the Exchange Obligation with respect to each $1,000 principal amount of Notes tendered for exchange as described in Section 8.01(a) (based on the Exchange Rate as increased by the Additional Shares pursuant to Section 8.01(g) above) on the later to occur of (x) the Effective Date of the Fundamental Change and (y) the third Trading Day immediately following the last day of the applicable Observation Period.

(c) Before any Holder of a Note shall be entitled to exchange the same as set forth above, such Holder shall (1) in the case of a Global Note, comply with the procedures of the Depositary in effect at that time and, if required, pay funds equal to interest payable on the next Interest Payment Date to which such Holder is not entitled as set forth in Section 4.01(b) and Section 8.02(i) and, if required, pay all taxes or duties, if any, and (2) in the case of a Note issued in certificated form, (A) complete and manually sign and deliver an irrevocable written notice to the Exchange Agent in the form on the reverse of such certificated Note (or a facsimile thereof) (a "Notice of Exchange") at the office of the Exchange Agent and shall state in writing therein the principal amount of Notes to be exchanged and the name or names (with addresses) in which such Holder wishes the certificate or certificates for any shares of Common Stock, if any, to be delivered upon settlement of the Exchange Obligation to be registered, (B) surrender such Notes, duly endorsed to the Company or in blank (and accompanied by appropriate endorsement and transfer documents), at the office of the Exchange Agent, (C) if required, pay funds equal to interest payable on the next Interest Payment Date to which such Holder is not entitled as set forth in Section 4.01(b) and Section 8.02(i), and (D) if required, pay all taxes or duties, if any. A Note shall be deemed to have been exchanged immediately prior to the close of business on the

date (the "Exchange Date") that the Holder has complied with the requirements set forth in this Section 8.02(c).

No Notice of Exchange with respect to any Notes may be tendered by a Holder thereof if such Holder has also tendered a Fundamental Change Repurchase Notice and not validly withdrawn such Fundamental Change Repurchase Notice in accordance with the applicable provisions of Section 9.02.

If more than one Note shall be surrendered for exchange at one time by the same Holder, the Exchange Obligation with respect to such Notes, if any, that shall be payable upon exchange shall be computed on the basis of the aggregate principal amount of the Notes (or specified portions thereof to the extent permitted thereby) so surrendered.

(d) Delivery of the amounts owing in satisfaction of the Exchange Obligation shall be made by the Company in no event later than the date specified in Section 8.02(a), except to the extent specified in Section 8.02(b). The Company shall make such delivery by paying the cash amount owed to the Exchange Agent or to the Holder of the Note surrendered for exchange, or such Holder's nominee or nominees, and by issuing, or causing to be issued, and delivering to the Exchange Agent or to such Holder, or such Holder's nominee or nominees, certificates or a book-entry transfer through the Depositary for the number of full shares of Common Stock to which such Holder shall be entitled as part of such Exchange Obligation (together with any cash in lieu of fractional shares).

(e) In case any Note shall be surrendered for partial exchange, the Company shall execute and the Trustee shall authenticate and deliver to or upon the written order of the Holder of the Note so surrendered, without charge to such Holder, a new Note or Notes in authorized denominations in an aggregate principal amount equal to the unexchanged portion of the surrendered Notes.

(f) If a Holder submits a Note for exchange, the Company shall pay all stamp and other duties, if any, which may be imposed by the United States or any political subdivision thereof or taxing authority thereof or therein with respect to the issuance of shares of Common Stock, if any, upon the exchange. However, the Holder shall pay any such tax that is due because the Holder requests any shares of Common Stock to be issued in a name other than the Holder's name. The Exchange Agent may refuse to deliver the certificates representing the shares of Common Stock being issued in a name other than the Holder's name until the Trustee receives a sum sufficient to pay any tax which will be due because the shares are to be issued in a name other than the Holder's name. Nothing herein shall preclude any tax withholding required by law or regulations.

(g) Except as provided in Section 8.04, no adjustment shall be made for dividends on any shares issued upon the exchange of any Note as provided in this Article.

(h) Upon the exchange of an interest in a Global Note, the Trustee, or the Custodian at the direction of the Trustee, shall make a notation on such Global Note as to the reduction in the principal amount represented thereby. The Company shall notify the Trustee in writing of any exchange of Notes effected through any Exchange Agent other than the Trustee.

(i) Upon exchange, a Noteholder will not receive any separate cash payment for accrued and unpaid interest, except as set forth below. The Company's settlement of its Exchange Obligation as described above shall be deemed to satisfy its obligation to pay the principal amount of the Note and accrued and unpaid interest to, but not including, the Exchange Date. As a result, accrued and unpaid interest to, but not including, the Exchange Date shall be deemed to be paid in full rather than cancelled, extinguished or forfeited. Notwithstanding the preceding sentence, if Notes are exchanged after the close of business on a Record Date, Holders of such Notes as of the close of business on the Record Date will receive the interest payable on such Notes on the corresponding Interest Payment Date notwithstanding the exchange. Notes surrendered for exchange during the period from the close of business on any regular Record Date to the opening of business on the corresponding Interest Payment Date must be accompanied by payment of an amount equal to the interest payable on the Notes so exchanged; *provided, however,* that no such payment need be made (1) if the Company has called the Notes for redemption or (2) to the extent of any overdue interest existing at the time of exchange with respect to such Note, (3) to Notes surrendered for exchange in connection with a Fundamental Change in which the Company has specified a Fundamental Change Repurchase Date that is after a Record Date and on or prior to the next Interest Payment Date, or (4) to Notes surrendered for exchange after 5:00 p.m., New York City time on the Record Date immediately preceding the Maturity Date. Except as described above, no payment or adjustment will be made for accrued interest on exchanged Notes.

(j) The Person in whose name the certificate for any shares of Common Stock issued upon exchange is registered shall be treated as a stockholder of record on and after the Exchange Date; *provided, however*, that no surrender of Notes on any date when the stock transfer books of the Company shall be closed shall be effective to constitute the Person or Persons entitled to receive the shares of Common Stock upon such exchange as the record holder or holders of such shares of Common Stock on such date, but such surrender shall be effective to constitute the Person or Persons entitled to receive such shares of Common Stock as the record holder or holders thereof for all purposes at the close of business on the next succeeding day on which such stock transfer books are open; such exchange shall be at the Exchange Rate in effect on the date that such Notes shall have been surrendered for exchange, as if the stock transfer books of the Company had not been closed. Upon exchange of Notes, such Person shall no longer be a Noteholder.

(k) No fractional shares of Common Stock shall be issued upon exchange of any Note or Notes. If more than one Note shall be surrendered for exchange at one time by the same Holder, the number of full shares that shall be issued upon exchange thereof shall be computed on the basis of the aggregate principal amount of the Notes (or specified portions thereof) so surrendered. Instead of any fractional share of Common Stock that would otherwise be issued upon exchange of any Note or Notes (or specified portions thereof), the Company shall pay a cash adjustment in respect of such fraction (calculated to the nearest one-100th of a share) in an amount equal to the same fraction of the Last Reported Sale Price of the Common Stock on the Trading Day immediately preceding the Exchange Date.

(l) *Reserved.*

Section 8.03 *Reserved*.

Section 8.04 *Adjustment of Exchange Rate.* The Exchange Rate shall be adjusted from time to time by the Company as follows:

(a) In case Parent shall issue Common Stock as a dividend or distribution to holders of the outstanding Common Stock, or shall effect a subdivision into a greater number of shares of Common Stock or combination into a lesser number of shares of Common Stock, the Exchange Rate shall be adjusted based on the following formula:

$$ER' = ER_0 \times \frac{OS'}{OS_0}$$

where

ER_0 = the Exchange Rate in effect immediately prior to the Ex-Date for such dividend or distribution or the effective date of such share split or combination, as the case may be;

ER' = the Exchange Rate in effect as of the Ex-Date for such dividend or distribution or the effective date of such share split or combination, as the case may be;

OS_0 = the number of shares of Common Stock outstanding immediately prior to such event; and

OS' = the number of shares of Common Stock outstanding immediately after such event.

Such adjustment shall become effective immediately after 9:00 a.m., New York City time, on the Business Day following the record date fixed for such determination. If any dividend or distribution of the type described in this Section 8.04(a) is declared but not so paid or made, or the outstanding shares of Common Stock are not subdivided or combined, as the case may be, the Exchange Rate shall be immediately readjusted, effective as of the date the Board of Directors determines not to pay such dividend or distribution, or subdivide or combine the outstanding shares of Common Stock, as the case may be, to the Exchange Rate that would then be in effect if such dividend, distribution, subdivision or combination had not been declared.

(b) In case Parent shall issue to all or substantially all holders of its outstanding Common Stock any rights, warrants or convertible securities entitling them (for a period expiring within sixty (60) calendar days after the issuance thereof) to subscribe for or purchase shares of Common Stock at a price per share less than the Last Reported Sale Price of the Common Stock on the Business Day immediately preceding the date of announcement of such issuance, the Exchange Rate shall be adjusted based on the following formula:

$$ER' = ER_0 \times \frac{OS_0 + X}{OS_0 + Y}$$

where

ER_0 = the Exchange Rate in effect immediately prior to the Ex-Date for such distribution;

ER' = the Exchange Rate in effect as of the Ex-Date for such distribution;

OS_0 = the number of shares of Common Stock outstanding immediately prior to such event;

X = the total number of shares of Common Stock issuable pursuant to such rights, warrants or convertible securities; and

Y = the number of shares of Common Stock equal to the aggregate price payable to exercise such rights, warrants or convertible securities divided by the average of the Last Reported Sale Prices per share of Common Stock over the ten consecutive Trading Day period ending on the Business Day immediately preceding the record date (or, if later, the Ex-Date relating to such distribution) for the issuance of such rights, warrants or convertible securities.

Such adjustment shall be successively made whenever any such rights, warrants or convertible securities are issued and shall become effective immediately after 9:00 a.m., New York City time, on the Business Day following the date fixed for such determination. If such rights, warrants or convertible securities are not so exercised prior to their expiration, the Exchange Rate shall again be adjusted to be the Exchange Rate that would then be in effect if such record date for such distribution had not been fixed.

In determining whether any rights, warrants or convertible securities entitle the holder thereof to subscribe for or purchase shares of Common Stock at a price per share less than the Last Reported Sale Price of the Common Stock on the Business Day immediately preceding the date of announcement of such issuance, and in determining the aggregate offering price of such shares of Common Stock, there shall be taken into account any consideration received by Parent for such rights, warrants or convertible securities and any amount payable on exercise or conversion thereof, the value of such consideration, if other than cash, to be determined by the Board of Directors.

(c) In case Parent shall distribute to all or substantially all holders of its Common Stock shares of Capital Stock, evidences of its indebtedness or other assets or property of Parent (including securities, but excluding dividends and distributions covered by Section 8.04(a), Section 8.04(b) or Section 8.04(d) and distributions described below in this paragraph (c) with respect to Spin-Offs) (any of such shares of Capital Stock, indebtedness, or other asset or property hereinafter in this Section 8.04(c) called the "Distributed Property"), then, in each such case the Exchange Rate shall be adjusted based on the following formula:

$$ER' = ER_0 \times \frac{SP_0}{SP_0 - FMV}$$

where

ER_0 = the Exchange Rate in effect immediately prior to the Ex-Date for such distribution;

ER' = the Exchange Rate in effect as of the Ex-Date for such distribution;

SP_0 = the average of the Last Reported Sale Prices of the Common Stock over the ten consecutive Trading Day period ending on the Business Day immediately preceding the record date for such distribution (or, if earlier, the Ex-Date relating to such distribution); and

FMV = the fair market value (as determined by the Board of Directors) of the Distributed Property distributed with respect to each outstanding share of Common Stock on the record date for such distribution (or, if earlier, the Ex-Date relating to such distribution).

Such adjustment shall become effective immediately prior to 9:00 a.m., New York City time, on the Business Day following the date fixed for the determination of stockholders entitled to receive such distribution; *provided* that if the then fair market value (as so determined) of the portion of the Distributed Property so distributed applicable to one share of Common Stock is equal to or greater than SP_0 as set forth above, in lieu of the foregoing adjustment, adequate provision shall be made so that each Noteholder shall have the right to receive, for each $1,000 principal amount of Notes upon exchange, the amount of Distributed Property such Holder would have received had such Holder owned a number of shares of Common Stock equal to the Exchange Rate on the record date. If such dividend or distribution is not so paid or made, the Exchange Rate shall again be adjusted to be the Exchange Rate that would then be in effect if such dividend or distribution had not been declared. If the Board of Directors determines the fair market value of any distribution for purposes of this Section 8.04(c) by reference to the actual or when issued trading market for any securities, it must in doing so consider the prices in such market over the same period used in determining SP_0 above.

With respect to an adjustment pursuant to this Section 8.04(c) where there has been a payment of a dividend or other distribution on the Common Stock in shares of Capital Stock, or similar equity interest, of or relating to a Subsidiary or other business unit (a "Spin-Off"), unless the Company or Parent distributes such shares of Capital Stock or equity interests to each Noteholder on the same basis as such Noteholder would have received had it exchanged its Notes solely into shares of Common Stock immediately prior to such dividend or distribution, the Exchange Rate in effect immediately before 5:00 p.m., New York City time, on the Record Date fixed for determination of stockholders entitled to receive the distribution will be increased based on the following formula:

$$ER' = ER_0 \times \frac{FMV_0 + MP_0}{MP_0}$$

where

ER_0 = the Exchange Rate in effect immediately prior to such distribution;

ER' = the Exchange Rate in effect immediately after such distribution;

FMV_0 = the average of the Last Reported Sale Prices of the Capital Stock or similar equity interest distributed to holders of shares of Common Stock applicable to one share of Common Stock over the first ten consecutive Trading Day period after the effective date of the Spin-Off; and

MP_0 = the average of the Last Reported Sale Prices of the Common Stock over the first ten consecutive Trading Day period after the effective date of the Spin-Off.

Such adjustment shall occur on the tenth Trading Day from, and including, the effective date of the Spin-Off; *provided* that in respect of any exchange within the ten Trading Days following any Spin-Off, references within this paragraph (c) to ten days shall be deemed replaced with such lesser number of Trading Days as have elapsed between such Spin-Off and the Exchange Date in determining the applicable Exchange Rate.

Rights or warrants distributed by Parent to all holders of Common Stock, entitling the holders thereof to subscribe for or purchase shares of Common Stock (either initially or under certain circumstances), which rights or warrants, until the occurrence of a specified event or events ("Trigger Event"): (i) are deemed to be transferred with such shares of Common Stock; (ii) are not exercisable and (iii) are also issued in respect of future issuances of shares of Common Stock, shall be deemed not to have been distributed for purposes of this Section 8.04 (and no adjustment to the Exchange Rate under this Section 8.04 will be required) until the occurrence of the earliest Trigger Event, whereupon such rights and warrants shall be deemed to have been distributed and an appropriate adjustment (if any is required) to the Exchange Rate shall be made under this Section 8.04(c). If any such right or warrant, including any such existing rights or warrants distributed prior to the date of this Fourth Supplemental Indenture, are subject to events, upon the occurrence of which such rights or warrants become exercisable to purchase different securities, evidences of indebtedness or other assets, then the date of the occurrence of any and each such event shall be deemed to be the date of distribution and record date with respect to new rights or warrants with such rights (and a termination or expiration of the existing rights or warrants without exercise by any of the holders thereof). In addition, in the event of any distribution (or deemed distribution) of rights or warrants, or any Trigger Event or other event (of the type described in the preceding sentence) with respect thereto that was counted for purposes of calculating a distribution amount for which an adjustment to the Exchange Rate under this Section 8.04 was made, (1) in the case of any such rights or warrants that shall all have been redeemed or repurchased without exercise by any holders thereof, the Exchange Rate shall be readjusted upon such final redemption or repurchase to give effect to such distribution or Trigger Event, as the case may be, as though it were a cash distribution, equal to the per share redemption or repurchase price received by a holder or holders of Common Stock with respect to such rights or warrants (assuming such holder had retained such rights or warrants), made to all holders of Common Stock as of the date of such redemption or repurchase, and (2) in the case of such rights or warrants that shall have expired or been terminated without exercise by any holders thereof, the Exchange Rate shall be readjusted as if such rights and warrants had not been issued.

For purposes of this Section 8.04(c), Section 8.04(a) and Section 8.04(b), any dividend or distribution to which this Section 8.04(c) is applicable that also includes shares of Common Stock to which Section 8.04(a) applies or rights or warrants to subscribe for or purchase shares of Common Stock to which Section 8.04(a) or Section 8.04(b) applies (or both), shall be deemed instead to be (1) a dividend or distribution of the evidences of indebtedness, assets or shares of Capital Stock other than such shares of Common Stock or rights or warrants to which Section 8.04(c) applies (and any Exchange Rate adjustment required by this Section 8.04(c) with respect to such dividend or distribution shall then be made) immediately followed by (2) a dividend or distribution of such shares of Common Stock or such rights or warrants (and any further Exchange Rate adjustment required by Section 8.04(a) and Section 8.04(b) with respect to such dividend or distribution shall then be made), except (A) the record date of such dividend or distribution shall be substituted as "the record date" and "the date fixed for such determination" within the meaning of Section 8.04(a) and Section 8.04(b) and (B) any shares of Common Stock included in such dividend or distribution shall not be deemed "outstanding immediately prior to such event" within the meaning of Section 8.04(a).

(d) In case Parent shall pay a dividend or make a distribution consisting exclusively of cash to all or substantially all holders of its Common Stock to the extent that the aggregate of all such cash dividends or distributions paid in any quarter exceeds the Dividend Threshold Amount for such quarter, the Exchange Rate shall be adjusted based on the following formula:

$$ER' = ER_0 \times \frac{SP_0 - T}{SP_0 - C}$$

where

ER_0 = the Exchange Rate in effect immediately prior to the Ex-Date for such distribution;

ER' = the Exchange Rate in effect as of the Ex-Date for such distribution;

SP_0 = the average of the Last Reported Sale Prices of the Common Stock over the period of ten consecutive Trading Days ending the Business Day immediately preceding the record date (as defined in clause (f) of this Section) for such distribution (or, if earlier, the Ex-Date relating to such distribution);

T = the dividend threshold amount ("Dividend Threshold Amount"), which amount shall initially be $0.3360 per quarter and which shall be appropriately adjusted from time to time for any stock dividends on, or subdivisions or combinations of, Common Stock; *provided,* that if an Exchange Rate adjustment is required to be made as a result of a distribution that is not a quarterly dividend either in whole or in part, the Dividend Threshold Amount shall be deemed to be zero; and

C = the amount in cash per share that Parent distributes to holders of Common Stock.

Such adjustment shall become effective immediately after 5:00 p.m., New York City time, on the record date for such dividend or distribution*provided* that if the portion of the cash so distributed applicable to one share of Common Stock is equal to or greater than SP_0 above, in lieu of the foregoing adjustment, adequate provision shall be made so that each Noteholder shall have the right to receive upon exchange of a Note (or any portion thereof) the amount of cash such Holder would have received had such Holder owned a number of shares equal to the Exchange Rate on the record date. If such dividend or distribution is not so paid or made, the Exchange Rate shall again be adjusted to be the Exchange Rate that would then be in effect if such dividend or distribution had not been declared.

For the avoidance of doubt, for purposes of this Section 8.04(d), in the event of any reclassification of the Common Stock, as a result of which the Notes become exchangeable into more than one class of Common Stock, if an adjustment to the Exchange Rate is required pursuant to this Section 8.04(d), references in this Section to one share of Common Stock or Last Reported Sale Price of one share of Common Stock shall be deemed to refer to a unit or to the price of a unit consisting of the number of shares of each class of Common Stock into which the Notes are then exchangeable equal to the number of shares of such class issued in respect of one share of Common Stock in such reclassification. The above provisions of this paragraph shall similarly apply to successive reclassifications.

(e) In case Parent or any of its Subsidiaries makes a payment in respect of a tender offer or exchange offer for all or any portion of the shares of Common Stock, to the extent that the cash and value of any other consideration included in the payment per share of Common Stock exceeds the Last Reported Sale Price of the Common Stock on the Trading Day next succeeding the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer (as it may be amended), the Exchange Rate shall be increased based on the following formula:

$$ER' = ER_0 \times \frac{AC + (SP' \times OS')}{SP' \times OS_0}$$

where

ER_0 = the Exchange Rate in effect on the date such tender or exchange offer expires;

ER' = the Exchange Rate in effect on the day next succeeding the date such tender or exchange offer expires;

AC = the aggregate value of all cash and any other consideration (as determined by the Board of Directors) paid or payable for shares purchased in such tender or exchange offer;

OS_0 = the number of shares of Common Stock outstanding immediately prior to the date such tender or exchange offer expires;

OS' = the number of shares of Common Stock outstanding immediately after the date such tender or exchange offer expires; and

SP' = the average of the Last Reported Sale Prices of the Common Stock over the ten consecutive Trading Day period commencing on the Trading Day next succeeding the date such tender or exchange offer expires,

such adjustment to become effective immediately prior to the opening of business on the day following the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer. If Parent is obligated to purchase shares pursuant to any such tender or exchange offer, but Parent is permanently prevented by applicable law from effecting all or any such purchases or all or any portion of such purchases are rescinded, the Exchange Rate shall again be adjusted to be the Exchange Rate that would then be in effect if such tender or exchange offer had not been made or had only been made in respect of the purchases that had been effected. No adjustment to the Exchange Rate will be made if the application of the foregoing formulae would result in a decrease in the Exchange Rate.

(f) For purposes of this Section 8.04 the term "record date" shall mean, with respect to any dividend, distribution or other transaction or event in which the holders of Common Stock have the right to receive any cash, securities or other property or in which the shares of Common Stock (or other applicable securities) are exchanged for or converted into any combination of cash, securities or other property, the date fixed for determination of stockholders entitled to receive such cash, securities or other property (whether such date is fixed by the Board of Directors or by statute, contract or otherwise).

(g) In addition to those required by clauses (a), (b), (c), (d), and (e) of this Section 8.04, and to the extent permitted by applicable law and subject to the applicable rules of the New York Stock Exchange, the Company from time to time may increase the Exchange Rate by any amount for a period of at least 20 days if the Board of Directors determines that such increase would be in the Company's best interest. In addition, the Company may also (but is not required to) increase the Exchange Rate to avoid or diminish any income tax to holders of Common Stock or rights to purchase shares of Common Stock in connection with any dividend or distribution of shares (or rights to acquire shares) or similar event. Whenever the Exchange Rate is increased pursuant to the preceding sentence, the Company shall mail to the Holder of each Note at his last address appearing on the Security Register a notice of the increase at least five days prior to the date the increased Exchange Rate takes effect, and such notice shall state the increased Exchange Rate and the period during which it will be in effect.

(h) All calculations and other determinations under this Article VIII shall be made by the Company and shall be made to the nearest cent or to the nearest one-ten thousandth (1/10,000) of a share of stock, as the case may be. No adjustment shall be made for Parent's issuance of shares of Common Stock or any securities convertible into or exchangeable for shares of Common Stock, or the right to purchase shares of Common Stock or such convertible or exchangeable securities, other than as provided in this Section 8.04. No adjustment shall be made to the Exchange Rate unless such adjustment would require a change

of at least 1% in the Exchange Rate then in effect at such time. The Company shall carry forward any adjustments that are less than 1% of the Exchange Rate and make such carried forward adjustments, regardless of whether the aggregate adjustment is less than 1% within one year of the first such adjustment carried forward, upon a Fundamental Change, upon any call of the Notes for redemption or upon maturity.

(i) Whenever the Exchange Rate is adjusted as herein provided, the Company shall promptly file with the Trustee and any Exchange Agent other than the Trustee an Officers' Certificate setting forth the Exchange Rate after such adjustment and setting forth a brief statement of the facts requiring such adjustment. The Trustee and Exchange Agent may conclusively rely on the accuracy of the Exchange Rate adjustment provided by the Company. Unless and until a Responsible Officer of the Trustee shall have received such Officers' Certificate, the Trustee shall not be deemed to have knowledge of any adjustment of the Exchange Rate and may assume without inquiry that the last Exchange Rate of which it has knowledge is still in effect. Promptly after delivery of such certificate, the Company shall prepare a notice of such adjustment of the Exchange Rate setting forth the adjusted Exchange Rate and the date on which each adjustment becomes effective and shall mail such notice of such adjustment of the Exchange Rate to the Holder of each Note at his last address appearing on the Security Register, within thirty (30) days of the effective date of such adjustment. Failure to deliver such notice shall not affect the legality or validity of any such adjustment.

(j) For purposes of this Section 8.04, the number of shares of Common Stock at any time outstanding shall not include shares held in the treasury of Parent but shall include shares issuable in respect of scrip certificates issued in lieu of fractions of shares of Common Stock.

Notwithstanding the foregoing provisions of this Section 8.04, in no event will the total number of shares of Common Stock issuable upon exchange exceed 33.3134 per $1,000 principal amount of Notes (subject to adjustment in the same manner or as set forth in clauses (a), (b) and (c) of this Section 8.04).

Section 8.05 *Sufficient Shares to be Delivered*. To the extent the Company elects to deliver shares of Common Stock, the Company shall provide, free from preemptive rights, sufficient shares of Common Stock to provide for exchange of the Notes from time to time as such Notes are presented for exchange.

Section 8.06 *Effect of Reclassification, Consolidation, Merger or Sale*. If any of the following events occur, namely (i) any reclassification or change of the outstanding Common Stock (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a split, subdivision or combination), (ii) any consolidation, merger or combination of Parent with another Person, or (iii) any sale or conveyance of all or substantially all of the property and assets of Parent to any other Person, in each case as a result of which holders of Common Stock shall be entitled to receive stock, other securities or other property, assets or cash (or any combination thereof) with respect to or in exchange for such shares of Common Stock (any such event a "Reorganization Event"), then:

(a) the Company and Parent or the successor or purchasing Person, as the case may be, shall execute with the Trustee a supplemental indenture (which, as evidenced in an Opinion of Counsel delivered to the Trustee, shall comply with the Trust Indenture Act as in force at the date of execution of such supplemental indenture if such supplemental indenture is then required to so comply) providing for the exchange and settlement of the Notes as set forth in this Fourth Supplemental Indenture. Such supplemental indenture shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Article and the Trustee may conclusively rely on the determination by the Company of the equivalency of such adjustments. If, in the case of any Reorganization Event, the Reference Property includes shares of stock or other securities and assets of a corporation other than the successor or purchasing corporation, as the case may be, in such reclassification, change, consolidation, merger, combination, sale or conveyance, then such supplemental indenture shall also be executed by such other corporation and shall contain such additional provisions to protect the interests of the Holders of the Notes as the Board of Directors shall reasonably consider necessary by reason of the foregoing, including to the extent required by the Board of Directors and practicable the provisions providing for the repurchase rights set forth in Article IX herein.

In the event the Company shall execute a supplemental indenture pursuant to this Section 8.06, the Company shall, in addition to the Officers' Certificate and Opinion of Counsel required by Section 102 of the Base Indenture, file with the Trustee an Officers' Certificate briefly stating the kind or amount of cash, securities or property or asset that will constitute the Reference Property after any such Reorganization Event, any adjustment to be made with respect thereto, and the Trustee shall promptly mail notice thereof to all Noteholders.

(b) Notwithstanding the provisions of Section 8.02(a) and Section 8.02(b), and subject to the provisions of Section 8.01, at the effective time of such Reorganization Event, the right to exchange each $1,000 principal amount of Notes will be changed to a right to exchange such Note by reference to the kind and amount of stock, other securities or other property, assets or cash (or any combination thereof) that such holder of Notes would have owned immediately after such Reorganization Event if such holder had exchanged their Notes immediately prior to such Reorganization Event (the "Reference Property") such that from and after the effective time of such transaction, a Noteholder will be entitled thereafter to exchange its Notes, subject to the successor's right to deliver cash, shares of Common Stock or common stock of such successor or a combination of cash and shares of Common Stock as set forth in Section 8.02(b), into cash (up to the aggregate principal amount thereof) and, in lieu of the shares of Common Stock otherwise deliverable, the same type (and in the same proportion) of Reference Property, based on the Daily Settlement Amounts of Reference Property in an amount equal to the applicable Exchange Rate, as described under Section 8.02(b). For purposes of the foregoing, where a Reorganization Event involves consideration based upon any form of stockholder election, the consideration will be deemed to be the weighted average of the types and amounts of consideration received by the holders of shares of Common Stock that affirmatively make such an election. Parent shall not become a party to any such transaction unless its terms are consistent with the preceding. None of the foregoing provisions shall affect the right of a Holder of Notes to exchange its Notes in accordance with the provisions of Article VIII hereof prior to the effective date of a Reorganization Event. For the avoidance of doubt, adjustments to the Exchange Rate set forth under Section 8.04 do not apply to

distributions to the extent that the right to exchange Notes has been changed into the right to exchange into Reference Property.

(c) The Company shall cause notice of the execution of such supplemental indenture to be mailed to each Noteholder, at his address appearing on the Security Register, within thirty (30) days after execution thereof. Failure to deliver such notice shall not affect the legality or validity of such supplemental indenture.

(d) The above provisions of this Section shall similarly apply to successive Reorganization Events.

Section 8.07 *Certain Covenants*. The Company covenants that all shares of Common Stock delivered upon exchange of Notes will be fully paid and non-assessable by Parent and free from all taxes, liens and charges with respect to the issue thereof.

Section 8.08 *Responsibility of Trustee*. The Trustee and any other Exchange Agent shall not at any time be under any duty or responsibility to any Noteholder to determine the Exchange Rate or whether any facts exist which may require any adjustment of the Exchange Rate, or with respect to the nature or extent or calculation of any such adjustment when made, or with respect to the method employed, or herein or in any supplemental indenture provided to be employed, in making the same. The Trustee and any other Exchange Agent shall not be accountable with respect to the validity or value (or the kind or amount) of any shares of Common Stock, or of any securities or property, which may at any time be issued or delivered upon the exchange of any Note; and the Trustee and any other Exchange Agent make no representations with respect thereto. Neither the Trustee nor any Exchange Agent shall be responsible for any failure of the Company to transfer or deliver any shares of Common Stock or share certificates or other securities or property or cash upon the surrender of any Note for the purpose of exchange or to comply with any of the duties, responsibilities or covenants of the Company contained in this Article.

Without limiting the generality of the foregoing, neither the Trustee nor any Exchange Agent shall be under any responsibility to determine the correctness of any provisions contained in any supplemental indenture entered into pursuant to Section 8.06 relating either to the kind or amount of shares of stock or securities or property (including cash) receivable by Noteholders upon the exchange of their Notes after any event referred to in such Section 8.06 or to any adjustment to be made with respect thereto, but, subject to the provisions of Article Six of the Base Indenture, may accept as conclusive evidence of the correctness of any such provisions, and shall be protected in relying upon, the Officers' Certificate with respect thereto.

Section 8.09 *Notice to Holders Prior to Certain Actions.*

In case:

(a) Parent shall declare a dividend (or any other distribution) on its Common Stock that would require an adjustment in the Exchange Rate pursuant to Section 8.04; or

(b) Parent shall authorize the granting to all of the holders of its Common Stock of rights or warrants to subscribe for or purchase any share of any class or any other rights or warrants;

(c) of any reclassification of the Common Stock of Parent (other than a subdivision or combination of its outstanding Common Stock, or a change in par value, or from par value to no par value, or from no par value to par value), or of any consolidation or merger to which Parent is a party and for which approval of any stockholders of Parent is required, or of the sale or transfer of all or substantially all of the assets of Parent; or

(d) of the voluntary or involuntary dissolution, liquidation or winding-up of Parent,

the Company shall cause to be filed with the Trustee and to be mailed to each Noteholder at his address appearing on the Security Register as promptly as possible but in any event at least thirty (30) days prior to the applicable date specified in clause (x) or (y) below, as the case may be, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution or rights or warrants, or, if a record is not to be taken, the date as of which the holders of Common Stock of record to be entitled to such dividend, distribution or rights are to be determined, or (y) the date on which such reclassification, consolidation, merger, sale, transfer, dissolution, liquidation or winding-up is expected to become effective or occur, and the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their shares of Common Stock for securities or other property deliverable upon such reclassification, consolidation, merger, sale, transfer, dissolution, liquidation or winding-up. Failure to give such notice, or any defect therein, shall not affect the legality or validity of such dividend, distribution, reclassification, consolidation, merger, sale, transfer, dissolution, liquidation or winding-up.

Section 8.10 *Stockholder Rights Plans*. Upon exchange of the Notes, the Holders shall receive, in addition to any shares of Common Stock issuable upon such exchange, the associated rights issued under any future stockholder rights plan Parent adopts unless, prior to exchange, the rights have separated from the shares of Common Stock, expired, terminated or been redeemed or converted in accordance with such rights plan. If, and only if, the Holders receive rights under such stockholder rights plans as described in the preceding sentence upon exchange of their Notes, then no other adjustment pursuant to this Article VIII shall be made in connection with such stockholder rights plans.

Section 8.11 *Ownership Limit.* Notwithstanding any other provision of this Fourth Supplemental Indenture or the Notes (a) no Holder of Notes (or beneficial owner of Notes) shall be entitled to exchange such Notes for shares of Common Stock to the extent that receipt of such shares would cause such Holder (or beneficial owner of Notes) (together with such Holder's (or beneficial owner's) affiliates) to exceed the applicable ownership limit contained in the articles of incorporation of Parent and (b) no Holder of Notes (or beneficial owner of Notes) shall have any right to receive cash or other consideration in lieu of shares of Common Stock upon exchange of the Notes to the extent such exchange would otherwise cause (if fully exchanged into shares of Common Stock) such Holder (together with such Holder's Affiliates) to exceed such ownership limit; *provided* that any such Holder shall be entitled to

receive on the same basis as other Holders cash paid upon redemption or a repurchase upon a Fundamental Change.

ARTICLE IX

REPURCHASE OF NOTES AT OPTION OF HOLDERS

Section 9.01 *Intentionally Omitted.*

Section 9.02 *Repurchase at Option of Holders Upon a Fundamental Change.*

(a) If a Fundamental Change occurs at any time, then each Noteholder shall have the right, at such Holder's option, to require the Company to repurchase all of such Holder's Notes or any portion thereof that is a multiple of $1,000 principal amount, for cash on the date (the "Fundamental Change Repurchase Date") specified by the Company that is not less than twenty (20) Business Days and not more than thirty-five (35) Business Days after the date of the Fundamental Change Company Notice (as defined below) at a repurchase price equal to 100% of the principal amount thereof, together with accrued and unpaid interest thereon to, but excluding, the Fundamental Change Repurchase Date (the "Fundamental Change Repurchase Price").

Repurchases of Notes under this Section 9.02 shall be made, at the option of the Holder thereof, upon:

(i) delivery to the Trustee (or other Paying Agent appointed by the Company) by a Holder of a duly completed notice (the "Fundamental Change Repurchase Notice") in the form set forth on the reverse of the Note prior to the close of business on the Fundamental Change Repurchase Date; and

(ii) delivery or book-entry transfer of the Notes to the Trustee (or other Paying Agent appointed by the Company) at any time after delivery of the Fundamental Change Repurchase Notice (together with all necessary endorsements) at the Corporate Trust Office of the Trustee (or other Paying Agent appointed by the Company) in the Borough of Manhattan, such delivery being a condition to receipt by the Holder of the Fundamental Change Repurchase Price therefor; *provided* that such Fundamental Change Repurchase Price shall be so paid pursuant to this Section 9.02 only if the Note so delivered to the Trustee (or other Paying Agent appointed by the Company) shall conform in all respects to the description thereof in the related Fundamental Change Repurchase Notice.

The Fundamental Change Repurchase Notice shall state:

(A) if certificated, the certificate numbers of Notes to be delivered for repurchase;

(B) the portion of the principal amount of Notes to be repurchased, which must be $1,000 or an integral multiple thereof; and

(C) that the Notes are to be repurchased by the Company pursuant to the applicable provisions of the Notes and this Fourth Supplemental Indenture.

Any repurchase by the Company contemplated pursuant to the provisions of this Section 9.02 shall be consummated by the delivery of the consideration to be received by the Holder promptly following the later of the Fundamental Change Repurchase Date and the time of the book-entry transfer or delivery of the Note.

The Trustee (or other Paying Agent appointed by the Company) shall promptly notify the Company of the receipt by it of any Fundamental Change Repurchase Notice or written notice of withdrawal thereof in accordance with the provisions of Section 9.02(c).

Any Note that is to be repurchased only in part shall be surrendered to the Trustee (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by the Holder thereof or his attorney duly authorized in writing), and the Company shall execute, and the Trustee shall authenticate and make available for delivery to the Holder of such Note without service charge, a new Note or Notes, containing identical terms and conditions, each in an authorized denomination in aggregate principal amount equal to and in exchange for the unrepurchased portion of the principal of the Note so surrendered.

(b) On or before the twentieth day after the occurrence of any Fundamental Change, the Company shall provide to all Holders of record of the Notes and the Trustee and Paying Agent a notice (the "Fundamental Change Company Notice") of the occurrence of such Fundamental Change and of the repurchase right at the option of the Holders arising as a result thereof. Such mailing shall be by first class mail. Simultaneously with providing such Fundamental Change Company Notice, the Company shall publish a notice containing the information included therein once in a newspaper of general circulation in The City of New York or publish such information on the Company's website or through such other public medium as the Company may use at such time.

Each Fundamental Change Company Notice shall specify:

(i) the events causing the Fundamental Change;

(ii) the date of the Fundamental Change;

(iii) that the Holder must exercise the repurchase right on or prior to the close of business on the Fundamental Change Repurchase Date;

(iv) the Fundamental Change Repurchase Price;

(v) the Fundamental Change Repurchase Date;

(vi) the name and address of the Paying Agent and the Exchange Agent;

(vii) the applicable Exchange Rate and any adjustments to the applicable Exchange Rate;

(viii) that the Notes with respect to which a Fundamental Change Repurchase Notice has been delivered by a Holder may be exchanged only if the Holder withdraws the Fundamental Change Repurchase Notice in accordance with the terms of this Fourth Supplemental Indenture; and

(ix) the procedures that Holders must follow to require the Company to repurchase their Notes.

No failure of the Company to give the foregoing notices and no defect therein shall limit the Noteholders' repurchase rights or affect the validity of the proceedings for the repurchase of the Notes pursuant to this Section 9.02.

(c) A Fundamental Change Repurchase Notice may be withdrawn by means of a written notice of withdrawal delivered to the Trustee and Paying Agent in accordance with the Fundamental Change Company Notice at any time prior to the close of business on the Business Day prior to the Fundamental Change Repurchase Date, specifying:

(i) the principal amount of the Notes with respect to which such notice of withdrawal is being submitted;

(ii) if certificated Notes have been issued, the certificate numbers of the withdrawn Notes; and

(iii) the principal amount, if any, of such Notes that remains subject to the original Fundamental Change Repurchase Notice, which portion must be in principal amounts of $1,000 or an integral multiple of $1,000;

provided, however, that if the Notes are not in certificated form, the notice must comply with appropriate procedures of the Depositary.

(d) On or prior to 11:00 a.m. (local time in The City of New York) on the second Business Day following the Fundamental Change Repurchase Date, the Company will deposit with the Trustee (or other Paying Agent appointed by the Company or if the Company is acting as its own Paying Agent, set aside, segregate and hold in trust in accordance with the Base Indenture as modified by this Fourth Supplemental Indenture) an amount of money sufficient to repurchase on the Fundamental Change Repurchase Date all of the Notes to be repurchased on such date at the Fundamental Change Repurchase Price. Subject to receipt of funds and/or Notes by the Trustee (or other Paying Agent appointed by the Company), payment for Notes surrendered for repurchase (and not withdrawn) prior to the close of business on the Fundamental Change Repurchase Date will be made promptly after the later of (x) the Fundamental Change Repurchase Date with respect to such Note *(provided* the Holder has satisfied the conditions to the payment of the Fundamental Change Repurchase Price in Section 9.02), and (y) the time of book-entry transfer or the delivery of such Note to the Trustee (or other Paying Agent appointed by the Company) by the Holder thereof in the manner required by Section 9.02 by mailing checks for the amount payable to the Holders of such Notes entitled

thereto as they shall appear in the Security Register, *provided, however,* that payments to the Depositary shall be made by wire transfer of immediately available funds to the account of the Depositary or its nominee. The Trustee shall, promptly after such payment and upon written demand by the Company, return to the Company any funds in excess of the Fundamental Change Repurchase Price.

(e) If the Trustee (or other Paying Agent appointed by the Company) holds money or securities sufficient to repurchase on the Fundamental Change Repurchase Date all the Notes or portions thereof that are to be purchased as of the second Business Day following the Fundamental Change Repurchase Date, then on and after the Fundamental Change Repurchase Date (i) such Notes will cease to be Outstanding, (ii) interest will cease to accrue on such Notes, and (iii) all other rights of the Holders of such Notes will terminate, whether or not book-entry transfer of the Notes has been made or the Notes have been delivered to the Trustee or Paying Agent, other than the right to receive the Fundamental Change Repurchase Price upon delivery of the Notes.

(f) The provisions of Article Thirteen of the Base Indenture shall not be applicable to the Notes.

ARTICLE X

GUARANTEE

Section 10.01 *Guarantees.* Article Sixteen of the Base Indenture shall be applicable to the Notes.

ARTICLE XI

MISCELLANEOUS PROVISIONS

Section 11.01 *Ratification of Base Indenture.* Except as expressly modified or amended hereby, the Base Indenture continues in full force and effect and is in all respects confirmed, ratified and preserved and the provisions thereof shall be applicable to the Notes and this Fourth Supplemental Indenture.

Section 11.02 *Provisions Binding on Company's Successors.* All the covenants, stipulations, promises and agreements of the Company contained in this Fourth Supplemental Indenture shall bind its successors and assigns whether so expressed or not.

Section 11.03 *Official Acts by Successor Corporation.* Any act or proceeding by any provision of this Fourth Supplemental Indenture authorized or required to be done or performed by any board, committee or officer of the Company shall and may be done and performed with like force and effect by the like board, committee or officer of any corporation or entity that shall at the time be the lawful sole successor of the Company.

Section 11.04 *Addresses for Notices, Etc.* Any notice or demand which by any provision of this Fourth Supplemental Indenture is required or permitted to be given or served by the Trustee or by the Noteholders on the Company shall be deemed to have been sufficiently

given or made, for all purposes if given or served by being deposited postage prepaid by registered or certified mail in a post office letter box addressed (until another address is filed by the Company with the Trustee) to Prologis, L.P., Pier 1, Bay 1, San Francisco, California 94111, Attention: Chief Financial Officer. Any notice, direction, request or demand hereunder to or upon the Trustee shall be deemed to have been sufficiently given or made, for all purposes, if given or served by being deposited postage prepaid by registered or certified mail in a post office letter box addressed to U.S. Bank National Association, 100 Wall Street, Suite 1600, New York, New York 10005, Attention: Corporate Trust Services/Prologis, L.P.

The Trustee, by notice to the Company, may designate additional or different addresses for subsequent notices or communications.

Any notice or communication mailed to a Noteholder shall be mailed to him by first class mail, postage prepaid, at his address as it appears on the Security Register and shall be sufficiently given to him if so mailed within the time prescribed.

Failure to mail a notice or communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

Section 11.05 *Governing Law.* THIS FOURTH SUPPLEMENTAL INDENTURE, EACH NOTE AND THE GUARANTEE SHALL BE DEEMED TO BE A CONTRACT MADE UNDER THE LAWS OF THE STATE OF NEW YORK, AND FOR ALL PURPOSES SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS ENTERED INTO AND TO BE PERFORMED THEREIN.

Section 11.06 *Non-Business Day.* Section 113 of the Base Indenture shall also apply to any Fundamental Change Purchase Date or Exchange Date in respect of the Notes.

Section 11.07 *Benefits of Indenture*. Nothing in this Fourth Supplemental Indenture or in the Notes, expressed or implied, shall give to any person, other than the parties hereto, any Paying Agent, any authenticating agent, any Security Registrar and their successors hereunder, the Noteholders, any benefit or any legal or equitable right, remedy or claim under this Fourth Supplemental Indenture.

Section 11.08 *Table of Contents, Headings, Etc.* The table of contents and the titles and headings of the articles and sections of this Fourth Supplemental Indenture have been inserted for convenience of reference only, are not to be considered a part hereof, and shall in no way modify or restrict any of the terms or provisions hereof.

Section 11.09 *Execution in Counterparts.* This Fourth Supplemental Indenture may be executed in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument.

Section 11.10 *Trustee.* The Trustee makes no representations as to the validity or sufficiency of this Fourth Supplemental Indenture. The statements and recitals herein are deemed to be those of the Company and Parent and not of the Trustee.

Section 11.11 *Further Instruments and Acts*. Upon request of the Trustee, the Company and Parent will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purposes of this Fourth Supplemental Indenture.

Section 11.12 *Waiver of Jury Trial*. EACH OF THE COMPANY, PARENT AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES OR THE TRANSACTION CONTEMPLATED HEREBY.

Section 11.13 *Force Majeure.* In no event shall the Trustee or Exchange Agent be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

IN WITNESS WHEREOF, the parties hereto have caused this Fourth Supplemental Indenture to be duly executed as of the date first written above.

PROLOGIS, L.P.
By: Prologis, Inc., its general partner

By: /s/ Phillip D. Joseph, Jr.
Name: Phillip D. Joseph, Jr.
Title: Senior Vice President and Treasurer

Attest:
By: /s/ Michael T. Blair
Name: Michael T. Blair
Title: Managing Director and Deputy General Counsel

PROLOGIS, INC.

By: /s/ Phillip D. Joseph, Jr.
Name: Phillip D. Joseph, Jr.
Title: Senior Vice President and Treasurer

Attest:
By: /s/ Michael T. Blair
Name: Michael T. Blair
Title: Managing Director and Deputy General Counsel

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: /s/ Beverly A. Freeney
Name: Beverly A. Freeney
Title: Vice President

[Fourth Supplemental Indenture]

SCHEDULE A

Share Price

Effective Date	$30.02	$33.60	$39.20	$44.80	$50.40	$56.00	$61.60	$67.20	$72.80	$78.41	$84.01	$89.61
March 15, 2012	7.4890	5.5791	3.2283	1.8584	1.0561	0.5852	0.3098	0.1507	0.0624	0.0177	0.0000	0.0000
March 15, 2013	7.4890	5.2539	2.8142	1.4675	0.7374	0.3488	0.1475	0.0494	0.0078	0.0000	0.0000	0.0000
March 15, 2014	7.4890	4.6911	2.0996	0.8440	0.2940	0.0788	0.0092	0.0000	0.0000	0.0000	0.0000	0.0000
March 15, 2015	7.4890	3.9356	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

EXHIBIT A

FORM OF GLOBAL NOTE

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

PROLOGIS, L.P.

3.250% Exchangeable Senior Notes due 2015

No. 1 $451,180,000

CUSIP No. 74340XAT8

PROLOGIS, L.P., a limited partnership organized and existing under the laws of the State of Delaware (herein called the "Company," which term includes any successor corporation under the Indenture referred to on the reverse hereof), for value received hereby promises to pay to CEDE & CO., or registered assigns, the principal sum of FOUR HUNDRED AND FIFTY ONE MILLION ONE HUNDRED AND EIGHTY THOUSAND DOLLARS ($451,180,000) or such other principal amount as shall be set forth on the Schedule I hereto on March 15, 2015.

This Security shall bear interest at the rate of 3.250% per year from March 15, 2011, or from the most recent date to which interest had been paid or provided. Interest is payable semi-annually in arrears on each March 15 and September 15, commencing September 15, 2011, to Holders of record at the close of business on the preceding March 1 and September 1, respectively. Interest payable on each Interest Payment Date shall equal the amount of interest accrued from, and including the immediately preceding Interest Payment Date (or from and including March 15, 2011, if no interest has been paid hereon) to but excluding such Interest Payment Date.

Payment of the principal and interest, on this Security will be made at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, City of New York, or elsewhere as provided in the Indenture, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; *provided*, *however*, that at the option of the Company, payment of interest, may be made by (i) check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register or (ii) transfer to an account of the Person entitled thereto located inside the United States; *provided further*, *however*, that, with respect to any Holder of Securities with an aggregate principal amount in excess of $1,000,000, at the application of such Holder in writing to the Company, interest on such Holder's Securities shall be paid by wire transfer in immediately available funds to such Holder's account in the United States supplied by such Holder from time to time to the Trustee and Paying Agent (if different from the Trustee) not later than the applicable record date.

Reference is made to the further provisions of this Security set forth on the reverse hereof, including, without limitation, provisions giving the Holder of this Security the right to exchange this Security into cash, shares of Common Stock of the Company or a combination of cash and shares of Common Stock on the terms and subject to the limitations referred to on the reverse hereof and as more fully specified in the Indenture. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This Security shall be deemed to be a contract made under the laws of the State of New York, and for all purposes shall be construed in accordance with the laws of the State of New York applicable to contracts entered into and to be performed therein.

This Security shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been manually signed by the Trustee or a duly authorized authenticating agent under the Indenture.

[Remainder of page intentionally left blank]

Unless the certificate of authentication hereon has been executed by or on behalf of the Trustee by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed by the undersigned officer.

PROLOGIS, L.P.
By: Prologis, Inc., its sole general partner

By: ______________________________
Name: Phillip D. Joseph, Jr.
Title: Senior Vice President and Treasurer

Attest

By: ______________________________
Name: Michael T. Blair
Title: Managing Director and
Deputy General Counsel

Dated: June 8, 2011

TRUSTEE'S CERTIFICATE OF AUTHENTICATION:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
as trustee

BY: ______________________________
Authorized Officer

PROLOGIS, L.P.
3.250% Exchangeable Senior Notes due 2015

This Security is one of a duly authorized issue of Securities of the Company, designated as its 3.250% Exchangeable Senior Notes due 2015 (herein called the "Securities"), issued under and pursuant to an Indenture dated as of June 8, 2011 (herein called the "Base Indenture"), as supplemented with respect to the Securities by the First Supplemental Indenture, dated as of June 8, 2011, the Second Supplemental Indenture, dated as of June 8, 2011, the Third Supplemental Indenture, dated as of June 8, 2011 and the Fourth Supplemental Indenture (herein called the "Fourth Supplemental Indenture"), dated as of June 8, 2011 (as so supplemented, herein called the "Indenture"), among the Company, Prologis, Inc. (herein called the "Parent Guarantor") and U.S. Bank National Association (herein called the "Trustee"), to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the rights, limitations of rights, obligations, duties and immunities thereunder of the Trustee, the Company, the Parent Guarantor and the Holders of the Securities. Additional Securities may be issued in an unlimited aggregate principal amount, subject to certain conditions specified in the Indenture. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Indenture.

In case an Event of Default, as defined in the Indenture, shall have occurred and be continuing, the principal of and interest on all Securities may be declared, and upon said declaration shall become, due and payable, in the manner, with the effect and subject to the conditions provided in the Indenture.

Prior to March 15, 2015, the Company may not redeem the Securities except to preserve the Company's status as a real estate investment trust as described in Section 3.01 of the Fourth Supplemental Indenture. Any such redemption shall be upon at least 30 days' and no more than 60 days' notice to Holders of the Securities.

Subject to the terms and conditions of the Indenture, the Company will make all payments and deliveries in respect of the Fundamental Change Repurchase Price, the Redemption Price and the principal amount on the Maturity Date, as the case may be, to the Holder who surrenders a Security to a Paying Agent to collect such payments in respect of the Security. The Company will pay cash amounts in money of the United States that at the time of payment is legal tender for payment of public and private debts.

The Indenture contains provisions permitting the Company, the Parent Guarantor and the Trustee in certain circumstances, without the consent of the Holders of the Securities, and in other circumstances, with the consent of the Holders of not less than a majority in principal amount of the Securities at the time Outstanding, evidenced as in the Indenture provided, to execute supplemental indentures adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or of any supplemental indenture or modifying in any manner the rights of the Holders of the Securities; *provided, however,* that no such supplemental indenture shall make any of the changes set forth in Section 6.02 of the Fourth Supplemental Indenture, without the consent of each Holder of an Outstanding Security affected

thereby. It is also provided in the Indenture that, prior to any declaration accelerating the maturity of the Securities, the Holders of a majority in principal amount of the Securities at the time Outstanding may on behalf of the Holders of all of the Securities waive any past default or Event of Default under the Indenture and its consequences except as provided in the Indenture. Any such consent or waiver by the Holder of this Security (unless revoked as provided in the Indenture) shall be conclusive and binding upon such Holder and upon all future Holders and owners of this Security and any Securities which may be issued in exchange or substitution hereof, irrespective of whether or not any notation thereof is made upon this Security or such other Securities.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and accrued and unpaid interest on this Security at the place, at the respective times, at the rate and in the lawful money herein prescribed.

The Securities are issuable in registered form without coupons in denominations of $1,000 principal amount and integral multiples thereof. At the office or agency of the Company referred to on the face hereof, and in the manner and subject to the limitations provided in the Indenture, without payment of any service charge but with payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration or exchange of Securities, Securities may be exchanged for a like aggregate principal amount of Securities of other authorized denominations.

The Securities are not subject to redemption through the operation of any sinking fund. Section 1004, Section 1006, Section 1007 and Section 1011 of the Indenture shall not apply to the Securities.

Upon the occurrence of a Fundamental Change, the Holder has the right, at such Holder’s option, to require the Company to repurchase all of such Holder’s Securities or any portion thereof (in principal amounts of $1,000 or integral multiples thereof) on the Fundamental Change Repurchase Date at a price equal to 100% of the principal amount of the Securities such holder elects to require the Company to repurchase, together with accrued and unpaid interest to but excluding the Fundamental Change Repurchase Date. The Company or, at the written request of the Company, the Trustee shall mail to all Holders of record of the Securities a notice of the occurrence of a Fundamental Change and of the repurchase right arising as a result thereof on or before the twentieth day after the occurrence of any Fundamental Change.

Subject to the provisions of the Indenture, the Holder hereof has the right, at its option, at any time prior to the close of business on the Trading Day immediately preceding the Maturity Date, to exchange any Securities or portion thereof which is $1,000 or an integral multiple thereof, into cash, shares of Common Stock or a combination of cash and shares of Common Stock, at the option of the Company as provided in the Fourth Supplemental Indenture, in each case at the Exchange Rate specified in the Indenture, as adjusted from time to time as provided in the Indenture, upon surrender of this Security, together with a Notice of Exchange, a form of which is attached to this Security, as provided in the Indenture and this Security, to the Company at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, City of New York or elsewhere as provided in the Indenture, and, unless the shares

issuable on exchange are to be issued in the same name as this Security, duly endorsed by, or accompanied by instruments of transfer in form satisfactory to the Company duly executed by, the Holder or by his duly authorized attorney. The initial Exchange Rate is 25.8244 shares for each $1,000 principal amount of Securities. No fractional shares of Common Stock will be issued upon any exchange, but an adjustment in cash will be paid to the Holder, as provided in the Indenture, in respect of any fraction of a share which would otherwise be issuable upon the surrender of any Security or Securities for exchange. No adjustment shall be made for dividends or any shares issued upon exchange of such Security except as provided in the Indenture.

Upon due presentment for registration of transfer of this Security at the office or agency of the Company in the Borough of Manhattan, City of New York, a new Security or Securities of authorized denominations for an equal aggregate principal amount will be issued to the transferee in exchange thereof, subject to the limitations provided in the Indenture, without charge except for any tax, assessments or other governmental charge imposed in connection therewith.

The Company, the Trustee, any authenticating agent, any Paying Agent, any Exchange Agent and any Security Registrar may deem and treat the registered Holder hereof as the absolute owner of this Security (whether or not this Security shall be overdue and notwithstanding any notation of ownership or other writing hereon), for the purpose of receiving payment hereof, or on account hereof, for the exchange hereof and for all other purposes, and neither the Company nor the Trustee nor any other authenticating agent nor any Paying Agent nor any other Exchange Agent nor any Security Registrar shall be affected by any notice to the contrary. All payments made to or upon the order of such registered Holder shall, to the extent of the sum or sums paid, satisfy and discharge liability for monies payable on this Security.

Except as provided in Article Sixteen of the Base Indenture, no recourse under or upon any obligation, covenant or agreement contained in the Indenture or in this Security, or because of any indebtedness evidenced thereby, shall be had against any promoter, as such, or against any past, present or future stockholder, partner, director, officer, employee, agent thereof or trustee, as such, of the Company or any Guarantor or of any successor thereof, either directly or through the Company or any Guarantor or any successor thereof, under any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, all such liability being expressly waived and released by the acceptance of this Security by the Holder thereof and as part of the consideration for the issue of the Securities of this series.

Terms used in this Security and defined in the Indenture are used herein as therein defined.

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (=tenants in common), TENANT (=tenants by the entireties), JT TEN (joint tenants with right of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform gift to Minors Act).

PROLOGIS, L.P.

3.25% Exchangeable Senior Notes due 2015

No. 1

Date	Principal Amount	Notation Explaining Principal Amount Recorded	Authorized Signature of Trustee or Custodian

FORM OF EXCHANGE NOTICE

To: PROLOGIS, L.P.

The undersigned registered owner of this Security hereby exercises the option to exchange this Security, or the portion hereof (which is $1,000 principal amount or an integral multiple thereof) below designated, into cash, shares of Common Stock, or a combination of cash and shares of Common Stock, in accordance with the terms of the Indenture referred to in this Security, and directs that the shares issuable and deliverable upon such exchange, if any, together with any check in payment of the cash in respect of the remaining Exchange Obligation (as defined in the Indenture) and for fractional shares and any Securities representing any unexchanged principal amount hereof, be issued and delivered to the registered holder hereof unless a different name has been indicated below. If shares or any portion of this Security not exchanged are to be issued in the name of a person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto. Any amount required to be paid to the undersigned on account of interest accompanies this Security.

Dated: ___________________

Signature(s)

Signature Guarantee

Signature(s) must be guaranteed by an eligible Guarantor Institution (banks, stock brokers, savings and loan associations and credit unions) with membership in an approved signature guarantee medallion program pursuant to Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended, if shares of Common Stock are to be issued, or Securities to be delivered, other than to and in the name of the registered holder.

Fill in for registration of shares if to be issued, and Securities if to be delivered, other than to and in the name of the registered holder:

(Name)

(Street Address)

(City, State and Zip Code)

Please print name and address

Principal amount to be exchanged (if less than all): $____,000

Social Security or Other Taxpayer Identification Number

FORM OF FUNDAMENTAL CHANGE REPURCHASE NOTICE

To: PROLOGIS, L.P.

The undersigned registered owner of this Security hereby acknowledges receipt of a notice from Prologis, L.P. (the "Company") as to the occurrence of a Fundamental Change with respect to the Company and requests and instructs the Company to repay the entire principal amount of this Security, or the portion thereof (which is $1,000 principal amount or an integral multiple thereof) below designated, in accordance with the terms of the Indenture referred to in this Security, to the registered holder hereof.

Dated: ____________________

____

Signature(s)

Social Security or Other Taxpayer Identification Number Principal amount to be repaid (if less than all): $____,000 NOTICE: The above signatures of the holder(s) hereof must correspond with the name as written upon the face of the Security in every particular without alteration or enlargement or any change whatever.

FORM OF ASSIGNMENT AND TRANSFER

For value received ______________ hereby sell(s), assign(s) and transfer(s) unto _____________ (Please insert social security or Taxpayer Identification Number of assignee) the within Security, and hereby irrevocably constitutes and appoints ____________ attorney to transfer the said Security on the books of the Company, with full power of substitution in the premises.

Dated: ___________________

____
Signature(s)

____
Signature Guarantee

Signature(s) must be guaranteed by an eligible Guarantor Institution (banks, stock brokers, savings and loan associations and credit unions) with membership in an approved signature guarantee medallion program pursuant to Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended, if shares of Common Stock are to be issued, or Securities to be delivered, other than to and in the name of the registered holder.

NOTICE: The signature on the exchange notice, the option to elect repurchase upon a Fundamental Change or the assignment must correspond with the name as written upon the face of the Security in every particular without alteration or enlargement or any change whatever.

GUARANTEE

FOR VALUE RECEIVED, the undersigned hereby, jointly and severally with any other Guarantors, unconditionally guarantees to the Holder of the accompanying 3.250% Exchangeable Senior Notes due 2015 (the "Note") issued by Prologis, L.P. (the "Company") under an Indenture dated as of June 8, 2011 (together with the First Supplemental Indenture thereto, the Second Supplemental Indenture thereto, the Third Supplemental Indenture thereto and the Fourth Supplemental Indenture thereto, the "Indenture") among the Company, Prologis, Inc., and U.S. Bank National Association, as trustee thereunder (the "Trustee"), (a) the full and prompt payment of the principal of and premium, if any, on such Note when and as the same shall become due and payable, whether at Stated Maturity, by acceleration, by redemption or otherwise, and (b) the full and prompt payment of the interest on such Note when and as the same shall become due and payable, according to the terms of such Note and of the Indenture. In case of the failure of the Company punctually to pay any such principal, premium or interest, the undersigned hereby agrees to cause any such payment to be made punctually when and as the same shall become due and payable, whether at Stated Maturity, upon acceleration, by redemption or otherwise, and as if such payment were made by the Company. The undersigned hereby agrees, jointly and severally with any other Guarantors, that its obligations hereunder shall be as principal and not merely as surety, and shall be absolute and unconditional, and shall not be affected, modified or impaired by the following: (a) the failure to give notice to the Guarantors of the occurrence of an Event of Default under the Indenture; (b) the waiver, surrender, compromise, settlement, release or termination of the payment, performance or observance by the Company or the Guarantors of any or all of the obligations, covenants or agreements of either of them contained in the Indenture or the Notes; (c) the acceleration, extension or any other changes in the time for payment of any principal of or interest or any premium on any Note or for any other payment under the Indenture or of the time for performance of any other obligations, covenants or agreements under or arising out of the Indenture or the Notes; (d) the modification or amendment (whether material or otherwise) of any obligation, covenant or agreement set forth in the Indenture or the Notes; (e) the taking or the omission of any of the actions referred to in the Indenture and in any of the actions under the Notes; (f) any failure, omission, delay or lack on the part of the Trustee to enforce, assert or exercise any right, power or remedy conferred on the Trustee in the Indenture, or any other action or acts on the part of the Trustee or any of the Holders from time to time of the Notes; (g) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all the assets, marshaling of assets and liabilities, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition with creditors or readjustment of, or other similar proceedings affecting the Guarantors or the Company or any of the assets of any of them, or any allegation or contest of the validity of this Guarantee in any such proceeding; (h) to the extent permitted by law, the release or discharge by operation of law of the Guarantors from the performance or observance of any obligation, covenant or agreement contained in the Indenture; (i) to the extent permitted by law, the release or discharge by operation of law of the Company from the performance or observance of any obligation, covenant or agreement contained in the Indenture; (j) the default or failure of the Company or the Trustee fully to perform any of its obligations set forth in the Indenture or the Notes; (k) the invalidity, irregularity or unenforceability of the Indenture or the Notes or any part of any thereof; (l) any judicial or governmental action affecting the Company or any Notes or consent or indulgence granted to the Company by the Holders or by the Trustee; or (m) the

recovery of any judgment against the Company or any action to enforce the same or any other circumstance which might constitute a legal or equitable discharge of a surety or guarantor. The undersigned hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of merger, sale, lease or conveyance of all or substantially all of its assets, insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest or notice with respect to such Notice or the indebtedness evidenced thereby and all demands whatsoever, and covenants that this Guarantee will not be discharged except by complete performance of the obligations contained in such Note and in this Guarantee.

No reference herein to such Indenture and no provision of this Guarantee or of such Indenture shall alter or impair the guarantee of the undersigned, which is absolute and unconditional, of the full and prompt payment of the principal of and premium, if any, and interest on the Note.

THIS GUARANTEE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK.

This Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication on the Note shall have been executed by the Trustee under the Indenture referred to above by the manual signature of one of its authorized officers. The validity and enforceability of this Guarantee shall not be affected by the fact that it is not affixed to any particular Note.

An Event of Default under the Indenture or the Notes shall constitute an event of default under this Guarantee, and shall entitle the Holders of Notes to accelerate the obligations of the undersigned hereunder in the same manner and to the same extent as the obligations of the Company.

Notwithstanding any other provision of this Guarantee to the contrary, the undersigned hereby waives any claims or other rights which it may now have or hereafter acquire against the Company that arise from the existence or performance of its obligations under this Guarantee (all such claims and rights are referred to as “Guarantor’s Conditional Rights”), including, without limitation, any right of subrogation, reimbursement, exoneration, contribution, or indemnification, any right to participate in any claim or remedy against the Company, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, by any payment made hereunder or otherwise, including without limitation, the right to take or receive from the Company, directly or indirectly, in cash or other property or by setoff or in any other manner, payment or security on account of such claim or other rights. Guarantor hereby agrees not to exercise any rights which may be acquired by way of contribution under this Guarantee or any other agreement, by any payment made hereunder or otherwise, including, without limitation, the right to take or receive from any other Guarantor, directly or indirectly, in cash or other property or by setoff or in any other manner, payment or security on account of such contribution rights. If, notwithstanding the foregoing provisions, any amount shall be paid to the undersigned on account of the Guarantor’s Conditional Rights and either (i) such amount is paid to such undersigned party at any time when the indebtedness shall not have been paid or performed in full, or (ii) regardless of when such amount is paid to such undersigned party, any payment made by the Company to a Holder that is at any time determined

to be a Preferential Payment (as defined below), then such amount paid to the undersigned shall be held in trust for the benefit of Holder and shall forthwith be paid to such Holder to be credited and applied upon the indebtedness, whether matured or unmatured. Any such payment is herein referred to as a "Preferential Payment" to the extent the Company makes any payment to Holder in connection with the Note, and any or all of such payment is subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid or paid over to a trustee, receiver or any other entity, whether under any bankruptcy act or otherwise.

To the extent that any of the provisions of the immediately preceding paragraph shall not be enforceable, the undersigned agrees that until such time as the indebtedness has been paid and performed in full and the period of time has expired during which any payment made by the Company or the undersigned to a Holder may be determined to be a Preferential Payment, Guarantor's Conditional Rights to the extent not validly waived shall be subordinate to Holders' right to full payment and performance of the indebtedness and the undersigned shall not enforce any of Guarantor's Conditional Rights until such time as the indebtedness has been paid and performed in full and the period of time has expired during which any payment made by the Company or the undersigned to Holders may be determined to be a Preferential Payment.

The obligations of the undersigned to the Holders of the Notes and to the Trustee pursuant to this Guarantee and the Indenture are expressly set forth in Article 16 of the Indenture and reference is hereby made to the Indenture for the precise terms of this Guarantee and all of the other provisions of the Indenture to which this Guarantee relates.

Capitalized terms used in this Guarantee which are not defined herein shall have the meanings assigned to them in the Indenture.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned has caused this Guarantee to be duly executed.

Dated: June 8, 2011

PROLOGIS, INC.

By: ____

Name: Phillip D. Joseph, Jr.
Title: Senior Vice President and Treasurer

MAYER•BROWN

Mayer Brown LLP
71 South Wacker Drive
Chicago, Illinois 60606-4637

Main Tel +1 312 782 0600
Main Fax +1 312 701 7711
www.mayerbrown.com

September 30, 2011

Board of Directors
Prologis, Inc.
Pier 1, Bay 1
San Francisco, California 94111

Re: Combined Registration Statement of
Prologis, Inc. and Prologis, L.P. on Form S-3

Dear Ladies and Gentlemen:

We have acted as special counsel to Prologis, Inc., a Maryland corporation (the "Company"), and Prologis, L.P., a limited partnership organized under the laws of the State of Delaware (the "Operating Partnership") in connection with the proposed sale of the following securities (the "Securities") of the Company and the Operating Partnership, as set forth in the Combined Registration Statement of the Company and the Operating Partnership on Form S-3 filed with the Securities and Exchange Commission on the date hereof (the "Registration Statement"): (i) one or more series of debt securities of the Operating Partnership (the "Debt Securities"), (ii) one or more series of preferred stock, par value $0.01 per share, of the Company (the "Preferred Stock"), (iii) shares of common stock, par value $0.01 per share, of the Company (the "Common Stock"), and (iv) guarantees by the Company of the Debt Securities (the "Guarantees").

Each series of the Debt Securities and corresponding Guarantees will be issued under an Indenture dated as of June 8, 2011, and supplemented by a First Supplemental Indenture dated as of June 8, 2011, a Second Supplemental Indenture dated as of June 8, 2011, a Third Supplemental Indenture dated as of June 8, 2011 and a Fourth Supplemental Indenture dated as of June 8, 2011 (collectively, the "Indenture"), among the Operating Partnership, the Company, as guarantor, and U.S. Bank National Association, as trustee. Each series of the Preferred Stock will be issued under the Company's Articles of Incorporation, as amended and supplemented (the "Articles of Incorporation"), and articles supplementary to be filed with the State Department of Assessments and Taxation of Maryland (the "Maryland SDAT"). The Common Stock will be issued under the Articles of Incorporation. Certain terms of the Securities to be issued by the Company and the Operating Partnership, as applicable, from time to time will be approved by the Board of Directors of the Company or a committee thereof, on its own behalf or as the sole general partner of the Operating Partnership, as part of the corporate action taken and to be taken in connection with the authorization of the issuance of the Securities (the "Corporate Proceedings").

As special counsel to the Company and the Operating Partnership, we have examined originals or copies certified or otherwise identified to our satisfaction of the Articles of Incorporation, the

Company's Seventh Amended and Restated Bylaws, the certificate of limited partnership of the Operating Partnership, the Thirteenth Amended and Restated Agreement of Limited Partnership of the Operating Partnership, resolutions of Company's Board of Directors and committees thereof and such Company and Operating Partnership records, certificates and other documents and such questions of law as we considered necessary or appropriate for the purpose of this opinion. As to certain facts material to our opinion, we have relied, to the extent we deem such reliance proper, upon certificates of public officials and officers of the Company and the Operating Partnership. In rendering this opinion, we have assumed the legal capacity and genuineness of all signatures of persons signing all documents, the authenticity, accuracy and completeness of all documents, records and certificates submitted to us as originals and the conformity to authentic original documents, records and certificates of all documents, records and certificates submitted to us as copies.

Based upon and subject to the foregoing and to the assumptions, conditions and limitations set forth herein, we are of the opinion that:

(i) upon the completion of the Corporate Proceedings relating to a series of the Debt Securities and corresponding Guarantees and the due execution, authentication, issuance and delivery of the Debt Securities of such series, the Debt Securities and corresponding Guarantees of such series, when sold in exchange for the consideration set forth in the Prospectus contained in the Registration Statement and any Prospectus Supplement relating to such series of the Debt Securities and corresponding Guarantees, will be duly authorized and will be binding obligations of the Operating Partnership, in the case of the Debt Securities, and the Company, in the case of the Guarantees, enforceable in accordance with their terms and entitled to the benefits of the Indenture, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally, public policy considerations and subject to general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law);

(ii) upon the completion of the Corporate Proceedings relating to a series of the Preferred Stock, the execution, delivery and filing with, and recording by, the Maryland SDAT of articles supplementary relating to such series of the Preferred Stock, and the due execution, countersignature and delivery of the Preferred Stock of such series, the Preferred Stock of such series, when sold in exchange for the consideration set forth in the Prospectus and any Prospectus Supplement relating to such series of the Preferred Stock, will be duly authorized, legally issued, fully paid and nonassessable; and

(iii) upon the completion of the Corporate Proceedings relating to the Common Stock and the due execution, countersignature and delivery of the Common Stock, the Common Stock, when sold in exchange for the consideration set forth in the Prospectus and any Prospectus Supplement relating to the Common Stock, will be duly authorized, legally issued, fully paid and nonassessable.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to being named in the related prospectus and any related prospectus supplement under the caption "Legal Matters" with respect to the matters stated therein. In giving this consent, we do not thereby admit that we are experts within the meaning of Section 11 of the Act or within the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the SEC.

We are admitted to practice law in the State of Illinois, and we express no opinion as to matters under or involving any laws other than the laws of the State of Illinois, the laws of the State of New York, the federal laws of the United States of America and the laws of the State of Maryland.

This opinion is expressly limited to the matters set forth above and we render no opinion, whether by implication or otherwise, as to any other matters relating to the Company, the Operating Partnership or any other person, or any other document or agreement involved with issues addressed herein. We assume no obligation to advise you of facts, circumstances, events or developments which hereafter may be brought to our attention and which may alter, affect or modify the opinions expressed herein.

This opinion is furnished to you in connection with the filing of the Registration Statement and is not to be used, circulated, quoted or otherwise relied upon for any other purpose.

Sincerely,

/s/ Mayer Brown LLP

Mayer Brown LLP

Exhibit 8.1

Mayer Brown LLP
71 South Wacker Drive
Chicago, Illinois 60606-4637

Main Tel (312) 782-0600
Main Fax (312) 701-7711
www.mayerbrown.com

September 30, 2011

Prologis, Inc.
Pier 1, Bay 1
San Francisco, California 94111

Re: Status as a Real Estate Investment Trust; Information in the Registration Statement under "United States Federal Income Tax Considerations"

Ladies and Gentlemen:

In connection with the filing of a Combined Registration Statement on Form S-3 with the Securities and Exchange Commission on September 30, 2011 (the "Registration Statement"), by Prologis, Inc., a Maryland corporation (the "Company"), and Prologis, L.P., a limited partnership organized under the laws of the State of Delaware, you have requested our opinions concerning (i) the qualification and taxation of the Company as a real estate investment trust ("REIT") and (ii) the information in the Registration Statement under the heading "United States Federal Income Tax Considerations."

In formulating our opinions, we have reviewed and relied upon the Registration Statement, such other documents and information provided by you, and such applicable provisions of law as we have considered necessary or desirable for purposes of the opinions expressed herein.

In addition, we have relied upon certain representations made by the Company relating to the organization and actual and proposed operation of the Company and its relevant subsidiaries. For purposes of our opinions, we have not made an independent investigation of the facts set forth in such documents, representations from the Company or the Registration Statement. We have, consequently, relied upon your representations that the information presented in such documents or otherwise furnished to us accurately and completely describes all material facts.

Our opinions expressed herein are based on the applicable laws of the State of Maryland, the Internal Revenue Code of 1986, as amended (the "Code"), the Treasury regulations promulgated thereunder, and the interpretations of the Code and such regulations by the courts and the Internal Revenue Service, all as they are in effect and exist at the date of this letter. It should be noted that statutes, regulations, judicial decisions, and administrative interpretations are subject to change at any time and, in some circumstances, with retroactive effect. A material change that is made after the date hereof in any of the foregoing bases for our opinions, could adversely affect our conclusions.

Based upon and subject to the foregoing, it is our opinion that:

1. Beginning with the Company's taxable year ending December 31, 1997, the Company has been organized in conformity with the requirements for qualification as a REIT under the Code, and the Company's actual and proposed method of operation, as described in the Registration Statement and as represented by the Company, has enabled it and will continue to enable it to satisfy the requirements for qualification as a REIT.

2. The information in the Registration Statement under the heading "United States Federal Income Tax Considerations," to the extent that it constitutes matters of law or legal conclusions, has been reviewed by us and is correct in all material respects.

Other than as expressly stated above, we express no opinion on any issue relating to the Company or to any investment therein. This opinion letter is being furnished solely in connection with the filing of the Registration Statement. We disclaim any undertaking to advise you of any subsequent changes of the facts stated or assumed herein or any subsequent changes in applicable law.

We hereby consent to the filing of this opinion letter as Exhibit 8.1 to the Registration Statement and to the use of the name of our firm in the Registration Statement. In giving this consent, we do not admit that we are experts within the meaning of Section 11 of the Securities Act or within the category of persons whose consent is required under Section 7 of the Securities Act.

Sincerely,

/s/ Mayer Brown LLP

Mayer Brown LLP

Exhibit 15.1

The Board of Directors
Prologis, Inc.:

With respect to the subject combined registration statement on Form S-3 of Prologis, Inc. and Prologis, L.P., we acknowledge our awareness of the incorporation by reference therein of our report dated August 8, 2011 related to our review of interim financial information.

Pursuant to Rule 436 under the Securities Act of 1933 (the Act), such report is not considered a part of a registration statement prepared or certified by an accountant, or a report prepared or certified by an accountant within the meaning of Section 7 and 11 of the Act.

KPMG LLP

Denver, Colorado
September 30, 2011

Exhibit 15.2

The Board of Directors
Prologis, Inc.:

With respect to the subject combined registration statement on Form S-3 of Prologis, Inc. and Prologis, L.P., we acknowledge our awareness of the incorporation by reference therein of our report dated August 8, 2011 related to our review of interim financial information.

Pursuant to Rule 436 under the Securities Act of 1933 (the Act), such report is not considered a part of a registration statement prepared or certified by an accountant, or a report prepared or certified by an accountant within the meaning of Section 7 and 11 of the Act.

KPMG LLP

Denver, Colorado
September 30, 2011

Exhibit 15.3

The Board of Directors
Prologis, Inc.:

With respect to the subject combined registration statement on Form S-3 of Prologis, Inc. and Prologis, L.P., we acknowledge our awareness of the incorporation by reference therein of our report dated May 9, 2011 related to our review of interim financial information.

Pursuant to Rule 436 under the Securities Act of 1933 (the Act), such report is not considered a part of a registration statement prepared or certified by an accountant, or a report prepared or certified by an accountant within the meaning of Section 7 and 11 of the Act.

KPMG LLP

Denver, Colorado
September 30, 2011

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Prologis, Inc.:

We consent to the use of our reports dated February 25, 2011, with respect to the consolidated balance sheets of ProLogis (now known as Prologis) and subsidiaries as of December 31, 2010 and 2009, and the related consolidated statements of operations, comprehensive income (loss), equity, and cash flows for each of the years in the three-year period ended December 31, 2010, and the effectiveness of internal control over financial reporting as of December 31, 2010, incorporated herein by reference, and to the reference to our firm under the heading "Experts" in the prospectus.

KPMG LLP

Denver, Colorado
September 30, 2011

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated February 18, 2011 relating to the financial statements, financial statement schedule, and the effectiveness of internal control over financial reporting of Prologis, Inc. (formerly AMB Property Corporation) and of our report dated February 18, 2011 relating to the financial statements, financial statement schedule, and the effectiveness of internal control over financial reporting of Prologis, L.P. (formerly AMB Property, L.P.) which appear in the Combined Annual Report of Prologis, Inc. (formerly AMB Property Corporation) and Prologis, L.P. (formerly AMB Property, L.P.) on Form 10-K for the year ended December 31, 2010. We also consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated February 12, 2009, except for the fourth paragraph of Note 1 as to which the date is January 25, 2010, the discontinued operations portion of Note 2 as to which the date is February 11, 2010 and Note 11 as to which the date is February 11, 2010 relating to the financial statements of AMB U.S. Logistics Fund, L.P. and of our report dated February 11, 2010 relating to the financial statements of AMB Japan Fund I, L.P. which appear in the Combined Annual Report of Prologis, Inc. (formerly AMB Property Corporation) and Prologis, L.P. (formerly AMB Property, L.P.) on Form 10-K for the year ended December 31, 2010. We also consent to the references to us under the headings “Experts” in such Registration Statement.

PricewaterhouseCoopers LLP

San Francisco, California
September 30, 2011

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form T-1

STATEMENT OF ELIGIBILITY UNDER
THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE
Check if an Application to Determine Eligibility of
a Trustee Pursuant to Section 305(b)(2)

U.S. BANK NATIONAL ASSOCIATION

(Exact name of Trustee as specified in its charter)

31-0841368
I.R.S. Employer Identification No.

800 Nicollet Mall **Minneapolis, Minnesota** *(Address of principal executive offices)*	**55402** *(Zip Code)*

Beverly A. Freeney
U.S. Bank National Association
100 Wall Street, Suite 1600
New York, New York 10005
(212) 361-2893
(Name, address and telephone number of agent for service)

Prologis, L.P.

Delaware *(State or other jurisdiction of incorporation or organization)*	**94-3285362** *(I.R.S. Employer Identification No.)*

Prologis, Inc.

Maryland *(State or other jurisdiction of incorporation or organization)*	**94-3281941** *(I.R.S. Employer Identification No.)*
Pier 1, Bay 1, San Francisco, California *(Address of Principal Executive Offices)*	**94111** *(Zip Code)*

Debt Securities

(Title of the indenture securities)

FORM T-1

Item 1. GENERAL INFORMATION. Furnish the following information as to the Trustee.

a) *Name and address of each examining or supervising authority to which it is subject.*

Comptroller of the Currency
Washington, D.C.

b) *Whether it is authorized to exercise corporate trust powers.*

Yes

Item 2. AFFILIATIONS WITH OBLIGOR. *If the obligor is an affiliate of the Trustee, describe each such affiliation.*
None

Items 3-15 *Items 3-15 are not applicable because to the best of the Trustee's knowledge, the obligor is not in default under any Indenture for which the Trustee acts as Trustee.*

Item 16. LIST OF EXHIBITS: *List below all exhibits filed as a part of this statement of eligibility and qualification.*

1. A copy of the Articles of Association of the Trustee.*
2. A copy of the certificate of authority of the Trustee to commence business, attached as Exhibit 2.
3. A copy of the certificate of authority of the Trustee to exercise corporate trust powers, attached as Exhibit 3.
4. A copy of the existing bylaws of the Trustee.**
5. A copy of each Indenture referred to in Item 4. Not applicable.
6. The consent of the Trustee required by Section 321(b) of the Trust Indenture Act of 1939, attached as Exhibit 6.
7. Report of Condition of the Trustee as of June 30, 2011 published pursuant to law or the requirements of its supervising or examining authority, attached as Exhibit 7.

* Incorporated by reference to Exhibit 25.1 to Amendment No. 2 to registration statement on S-4, Registration Number 333-128217 filed on November 15, 2005.
** Incorporated by reference to Exhibit 25.1 to registration statement on S-4, Registration Number 333-166527 filed on May 5, 2010.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the Trustee, U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, has duly caused this statement of eligibility and qualification to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of New York, State of New York on the 28th of September, 2011.

By: /s/ Beverly A. Freeney
Beverly A. Freeney
Vice President

Exhibit 2

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

CERTIFICATE OF CORPORATE EXISTENCE

I, John Walsh, Acting Comptroller of the Currency, do hereby certify that:

1. The Comptroller of the Currency, pursuant to Revised Statutes 324, et seq., as amended, 12 U.S.C. 1, et seq., as amended, has possession, custody and control of all records pertaining to the chartering, regulation and supervision of all National Banking Associations.

2. "U.S. Bank National Association," Cincinnati, Ohio, (Charter No. 24), is a National Banking Association formed under the laws of the United States and is authorized thereunder to transact the business of banking on the date of this Certificate.

IN TESTIMONY WHERE OF, I have hereunto subscribed my name and caused my seal of office to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this September 9, 2010.

John Walsh

Acting Comptroller of the Currency

Exhibit 3

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

CERTIFICATE OF FIDUCIARY POWERS

I, John Walsh, Acting Comptroller of the Currency, do hereby certify that:

1. The Comptroller of the Currency, pursuant to Revised Statutes 324, et seq., as amended, 12 U.S.C. I, et seq., as amended, has possession, custody and control of all records pertaining to the chartering, regulation and supervision of all National Banking Associations.

2. "U.S. Bank National Association," Cincinnati, Ohio, (Charter No. 24), was granted, under the hand and seal of the Comptroller, the right to act in all fiduciary capacities authorized under the provisions of the Act of Congress approved September 28, 1962, 76 Stat.668, 12 U.S.C. 92 a, and that the authority so granted remains in full force and effect on the date of this Certificate.

IN TESTIMONY WHERE OF, I have hereunto subscribed my name and caused my seal of office to be affixed to these presents at the Treasury Department, in the City of Washington and District of Columbia, this September 9, 2010.

John Walsh

Acting Comptroller of the Currency

Exhibit 6

CONSENT

In accordance with Section 321(b) of the Trust Indenture Act of 1939, the undersigned, U.S. BANK NATIONAL ASSOCIATION hereby consents that reports of examination of the undersigned by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

By: /s/ Beverly A. Freeney
Beverly A. Freeney
Vice President

Dated: September 28, 2011

Exhibit 7

U.S. Bank National Association

Statement of Financial Condition
As of 6/30/2011

		6/30/2011 ($000's)
Assets		
Cash and Balances Due From Depository Institutions	$	15,249,371
Securities		63,952,096
Federal Funds		15,876
Loans & Lease Financing Receivables		190,017,874
Fixed Assets		5,231,718
Intangible Assets		13,050,819
Other Assets		22,581,835
Total Assets	**$**	**310,099,589**
Liabilities		
Deposits	$	218,820,466
Fed Funds		7,695,079
Treasury Demand Notes		0
Trading Liabilities		550,498
Other Borrowed Money		33,124,842
Acceptances		0
Subordinated Notes and Debentures		7,679,246
Other Liabilities		8,693,748
Total Liabilities	**$**	**276,563,879**
Equity		
Minority Interest in Subsidiaries	$	1,821,732
Common and Preferred Stock		18,200
Surplus		14,136,872
Undivided Profits		17,558,906
Total Equity Capital	**$**	**33,535,710**
Total Liabilities and Equity Capital	**$**	**310,099,589**