
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): February 27, 2014

**PROLOGIS, INC.
PROLOGIS, L.P.**
(Exact name of registrant as specified in charter)

**Maryland (Prologis, Inc.)
Delaware (Prologis, L.P.)**
(State or other jurisdiction
of Incorporation)

**001-13545 (Prologis, Inc.)
001-14245 (Prologis, L.P.)**
(Commission
File Number)

**94-3281941 (Prologis, Inc.)
94-3285362 (Prologis, L.P.)**
(I.R.S. Employer
Identification No.)

Pier 1, Bay 1, San Francisco, California
(Address of Principal Executive Offices)

94111
(Zip Code)

Registrants' Telephone Number, including Area Code: (415) 394-9000

N/A
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-
-

Item 1.01. Entry into a Material Definitive Agreement.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On February 27, 2014, Prologis, Inc. (the “Company”), as general partner of Prologis, L.P. (the “Partnership”), the operating partnership of the Company, executed the First Amendment to Thirteenth Amended and Restated Agreement of Limited Partnership of the Partnership (the “Amendment”), which amended the Thirteenth Amended and Restated Agreement of Limited Partnership of the Partnership (the “Partnership Agreement”). The Amendment amended the Partnership Agreement to establish the terms of a new class of partnership interests designated as LTIP Units, which are intended to be utilized by the Company and the Partnership in its equity compensation programs. In connection with the Amendment, the Compensation Committee of the Company’s Board of Directors also approved the Form of Participation Points and LTIP Unit Award Agreement (the “Award Agreement”) to be used in connection with awards of LTIP Units.

The foregoing summary is qualified in its entirety by reference to the Amendment and the Award Agreement, which are attached hereto as Exhibit 3.1 and Exhibit 10.1, respectively.

Item 9.01 Exhibits

<u>Exhibit No.</u>	<u>Description</u>
3.1	First Amendment to Thirteenth Amended and Restated Agreement of Limited Partnership of Prologis, L.P., dated February 27, 2014
10.1	Form of Participation Points and LTIP Unit Award Agreement

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

February 27, 2014

PROLOGIS, INC.

By: /s/ Michael T. Blair

Name: Michael T. Blair

Title: Managing Director, Deputy General Counsel

February 27, 2014

PROLOGIS, L.P.

By: Prologis, Inc., its general partner

By: /s/ Michael T. Blair

Name: Michael T. Blair

Title: Managing Director, Deputy General Counsel

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
3.1	First Amendment to Thirteenth Amended and Restated Agreement of Limited Partnership of Prologis, L.P., dated February 27, 2014
10.1	Form of Participation Points and LTIP Unit Award Agreement

FIRST AMENDMENT
TO
THIRTEENTH AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP

OF
PROLOGIS, L.P.

February 27, 2014

THIS FIRST AMENDMENT (this “**Amendment**”) to the THIRTEENTH AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP of PROLOGIS, L.P. is made and entered into as of February 27, 2014.

W I T N E S S E T H:

WHEREAS, Prologis, L.P. (the “**Partnership**”), a Delaware limited partnership, exists pursuant to that certain Thirteenth Amended and Restated Agreement of Limited Partnership dated as of June 3, 2011, as amended (the “**Partnership Agreement**”), and the Delaware Revised Uniform Limited Partnership Act;

WHEREAS, Prologis, Inc., a Maryland corporation, is the sole general partner of the Partnership (the “**Company**”);

WHEREAS, pursuant to the Prologis, Inc. 2012 Long-Term Incentive Plan and/or one or more successor or additional equity incentive plans or programs that the Company or the Partnership may adopt after the date hereof, as amended (each individually and all of them collectively, as the context requires, the “**Plan**”), the Company resolved to issue to executives of the Company and its subsidiaries, including the Partnership, Full Value Awards (as defined in the Plan) which may include partnership interests having the rights, voting powers, restrictions, limitations as to distributions, qualifications and terms and conditions of redemption and conversion set forth herein, such partnership interest to be expressed as a number of partnership units to be referred to as Long Term Incentive Plan Units or LTIP Units.

WHEREAS, Section 4.3.C of the Partnership Agreement provides that the General Partner may accept additional capital contributions of cash, real property or other non-cash assets and in connection with any such additional capital contributions (of cash or property), the General Partner is authorized to cause the Partnership from time to time to issue additional partnership units or other partnership interests in one or more classes, or one or more series of any of such classes, with such designations, preferences and relative, participating, optional or other special rights, powers, and duties, including rights, powers, and duties senior to then existing limited partnership interests, all as shall be determined by the General Partner in its sole and absolute discretion subject to Delaware law, and as set forth by amendment to the Partnership Agreement, including without limitation: (i) the allocations of items of Partnership income, gain, loss, deduction, and credit to such class or series of partnership interests; (ii) the right of each such class or series of partnership interests to share in Partnership distributions; (iii) the rights of each such class or series of partnership interests upon dissolution and liquidation of the Partnership; and (iv) the right to vote.

WHEREAS, in the event that the Partnership issues additional partnership interests pursuant to Section 4.3.C of the Partnership Agreement, the General Partner shall make such revisions to the Partnership Agreement (including but not limited to the revisions described in Sections 5.4, 6.2.C, and 8.6 thereof) as it determines are necessary to reflect the issuance of such additional partnership interests.

WHEREAS, pursuant to Sections 7.3.D(ii) and (iii), the Partnership Agreement may be amended by the General Partner without the Consent of Partners to reflect the issuance of additional Partnership Interests pursuant to Sections 4.3C, the admission of Partners (which may

be effected through the replacement of Exhibit A with an amended Exhibit A), and to set forth or amend the designations, rights, powers, duties and preferences of the holders of any additional Partnership Interests issued pursuant to Article 4, provided that the General Partner is required to provide notice to the Limited partners when any such action is taken;

WHEREAS, pursuant to Section 12.2.B of the Partnership Agreement, the admission of any person as an Additional Limited Partner shall become effective on the date upon which the name of such person is recorded on the books and records of the Partnership, following the receipt of the Capital Contribution in respect of such Limited Partner, the documents set forth in Section 12.2.A of the Partnership Agreement and the consent of the General Partner to such admission.

NOW, THEREFORE, pursuant to Sections 2.4 and 7.3.D(ii) and (iii) of the Partnership Agreement, the General Partner hereby amends the Partnership Agreement as follows:

SECTION 1. DEFINED TERMS

Capitalized terms used but not defined herein shall have the definitions assigned to such terms in the Partnership Agreement. If the same term is defined both herein and in the Partnership Agreement, the definition herein shall supersede and replace in its entirety the definition set forth in the Partnership Agreement for all purposes. The following defined terms used in this Amendment shall have the meanings specified below:

“Book-Up Target” for an LTIP Unit means (i) initially, the excess of the Common Unit Economic Balance as determined on the date such LTIP Unit was granted over the Capital Contribution made by such LTIP Unit Limited Partner with respect to such LTIP Unit and (ii) thereafter, as of any determination date, the remaining amount required to be allocated to such LTIP Unit for the Economic Capital Account Balance, to the extent attributable to such LTIP Unit, to be equal to the Common Unit Economic Balance. Notwithstanding the foregoing, the Book-Up Target shall be zero for any LTIP Unit for which the Economic Capital Account Balance attributable to such LTIP Unit has at any time reached an amount equal to the Common Unit Economic Balance determined as of such time.

“Common Unit” means each Partnership Unit that (i) is not entitled to any preference with respect to any other Partnership Unit as to distribution or voluntary or involuntary liquidation, dissolution or winding up of the Partnership and (ii) is not an LTIP Unit.

“Common Unit Economic Balance” means (i) the Capital Account balance of the Company, plus the amount of the Company’s share of any Partner Minimum Gain or Partnership Minimum Gain, in either case to the extent attributable to the Company’s ownership of Common Units and computed on a hypothetical basis after taking into account all allocations through the date on which any allocation is made under Section 6.6.B, divided by (ii) the number of the Company’s Common Units. If the Company’s Economic Capital Account Balance at the time of determination reflects a net reduction as a result of Section 15.11, for purposes of this definition the Company’s Economic Capital Account Balance shall be the Economic Capital Account Balance it would have been if Section 15.11 had not applied.

“**Economic Capital Account Balance**” with respect to a Partner means an amount equal to its Capital Account balance, plus the amount of its share of any Partner Minimum Gain or Partnership Minimum Gain.

“**Liquidating Gains**” means any net gain realized in connection with the actual or hypothetical sale of all or substantially all of the assets of the Partnership (including upon the occurrence of any event of liquidation of the Partnership), including but not limited to net gain realized in connection with an adjustment to the book value of Partnership assets under clauses (ii)(a)-(e) of the definition of Gross Asset Value.

“**Liquidating Losses**” means any net loss realized in connection with the actual or hypothetical sale of all or substantially all of the assets of the Partnership (including upon the occurrence of any event of liquidation of the Partnership), including but not limited to net loss realized in connection with an adjustment to the book value of Partnership assets under clauses (ii)(a)-(e) of the definition of Gross Asset Value.

“**LTIP Unit**” means a Partnership Unit which is designated as an LTIP Unit having the rights, powers, privileges, restrictions, qualifications and limitations set forth in Exhibit K hereto and elsewhere in this Amendment and the Partnership Agreement in respect of the LTIP Unit Limited Partner. LTIP Units may be designated as “Special LTIP Units” or as “Vested” or “Unvested” LTIP Units pursuant to the documentation pursuant to which such LTIP Unit is issued.

“**LTIP Unit Distribution Participation Date**” means, for any LTIP Unit, the date of issuance or such other date as may be specified in the Vesting Agreement or other documentation pursuant to which such LTIP Unit is issued.

“**LTIP Unit Limited Partner**” means any Person that holds LTIP Units and is named as an LTIP Unit Limited Partner in the books and records of the Partnership (including, if applicable, Exhibit A attached hereto, as such Exhibit may be amended from time to time, to the extent applicable to the holding of such LTIP Units or Common Units issued to a LTIP Unit Limited Partner as provided in Exhibit K hereto).

“**Partnership Interest**” means an ownership interest in the Partnership of either a Limited Partner or the General Partner and includes any and all benefits to which the holder of such a Partnership Interest may be entitled as provided in this Agreement, together with all obligations of such Person to comply with the terms and provisions of this Agreement. There may be one or more classes of Partnership Interests as provided in Section 4.3. A Partnership Interest may be expressed as a number of Partnership Units. Unless otherwise expressly provided for by the General Partner at the time of the original issuance of any Partnership Interests, all Partnership Interests (whether of a Limited Partner or a General Partner) shall be of the same class. The Partnership Interests represented by the Common Units (including Performance Units), the LTIP Units and the Series Q Preferred Units are the only Partnership Interests, and each such type of unit is a separate class of Partnership Interest for all purposes of this Agreement.

“**Percentage Interest**” means, as to a Partner holding a class of Partnership Interests, its interest in the Partnership as determined by dividing the Partnership Units of such class owned by such Partner by the total number of Partnership Units of such class then outstanding as specified in

Exhibit A attached hereto, as such Exhibit may be amended from time to time, or in the case of LTIP Units on the books and records of the Partnership maintained by the General Partner. If the Partnership issues more than one class of Partnership Interest, the interest in the Partnership among the classes of Partnership Interests shall be determined as set forth in the amendment to the Agreement setting forth the rights and privileges of such additional classes of Partnership Interest, if any, as contemplated by Section 4.3.C. With respect to any Partner owning Common Units and/or LTIP Units, the percentage shall be represented by a fraction, the numerator of which is the number of Common Units and LTIP Units then owned by such Partner, and the denominator of which is the total number of Common Units and LTIP Units then owned by all of the Partners; provided that, for purposes of allocations and distributions (i) prior to the LTIP Unit Distribution Participation Date for any LTIP Units, the Percentage Interest will be calculated without including such LTIP Units in either the numerator or the denominator and (ii) prior to the Special LTIP Unit Full Participation Date for any Special LTIP Unit, the Percentage Interest will be calculated by only including a number of such Special LTIP Units equal to the number of such Special LTIP Units outstanding multiplied by the Special LTIP Unit Sharing Percentage for such Special LTIP Units.

“**Special LTIP Unit**” means an LTIP Unit designated as a “Special LTIP Unit” as set forth in the documentation pursuant to which such LTIP Unit is granted.

“**Special LTIP Unit Full Participation Date**” means, for a Special LTIP Unit, the date specified as such in the documentation pursuant to which such Special LTIP Unit is granted.

“**Special LTIP Unit Sharing Percentage**” means, with respect to a Special LTIP Unit, ten percent (10%) or such other percentage designated as the Special LTIP Unit Sharing Percentage for such Special LTIP Unit as set forth in the documentation pursuant to which such Special LTIP Unit is granted.

“**Vesting Agreement**” means an award, vesting or other similar agreement pursuant to which LTIP Units are issued to an LTIP Unit Limited partner.

SECTION 2. EXHIBIT K TERMS.

In making distributions pursuant to Section 5.1 of the Agreement and allocations pursuant to Article 6 of the Agreement, the General Partner of the Partnership shall take into account the provisions of Exhibit K hereto.

SECTION 3. ARTICLE 5 AMENDMENTS.

Article 5 of the Partnership Agreement shall be amended by adding the following new Section 5.6.

Section 5.6 Distributions with respect to LTIP Units For purposes of the calculations and distributions set forth in Section 5.1 (including, without limitation, distributions under Section 5.1(iii)), issued and outstanding LTIP Units with an associated LTIP Unit Distribution Participation Date that falls on or before the Partnership Record Date for a particular distribution shall be treated as outstanding Common Units. LTIP Units for which the LTIP Unit Distribution Participation Date has not occurred as of the

Partnership Record Date for a particular distribution shall not be entitled to any of such distribution. The right to distributions of LTIP Units designated as Special LTIP Units shall also be governed by the applicable Special LTIP Unit Full Participation Date and Special LTIP Unit Sharing Percentage.

SECTION 4. SECTION 6.1 AMENDMENT.

Section 6.1 of the Partnership Agreement is amended by inserting the following text at the beginning of the first sentence thereof:

“Subject to Section 6.7,”

SECTION 5. SECTION 6.2.B.1(d) AMENDMENT.

Section 6.2.B.1(d) of the Partnership Agreement shall be replaced with the following new Section 6.2.B.1(d):

- (d) *Fourth*, 100% to the General Partner and the Limited Partners (including, for the avoidance of doubt, any LTIP Unit Limited Partner), in accordance with their respective Percentage Interests in the Common Units, in an amount equal to the remainder, if any, of the cumulative Net Losses allocated to such Partners in the aggregate pursuant to Section 6.2.B.2(a) for all prior Partnership Years *minus* the cumulative Net Income allocated to such Partners in the aggregate pursuant to this Section 6.2.B.1(d) for all prior Partnership Years;

SECTION 6. OTHER ARTICLE 6 AMENDMENTS.

Article 6 of the Partnership Agreement shall be amended by adding the following new Sections 6.5, 6.6 and 6.7:

Section 6.5 Forfeiture Allocations. Subject to Section 6.6.C with respect to a forfeiture of certain LTIP Units, upon a forfeiture of any unvested Partnership Interest by any Partner, gross items of income, gain, loss or deduction shall be allocated to such Partner if and to the extent required by final Regulations promulgated after the effective date of this Agreement to ensure that allocations made with respect to all unvested Partnership Interests are recognized under Code Section 704(b).

Section 6.6 LTIP Allocation Provisions.

- A. LTIPs Treated as Common Units for Allocation Purposes For purposes of determining allocations of Net Income and Net Loss pursuant to Sections 6.2.B.1 and 6.2.B.2, to the extent that the LTIP Unit Distribution Participation Date with respect to an LTIP Unit has occurred, such LTIP Unit shall be treated as a Common Unit. For purposes of determining allocations of Losses pursuant to Section 6.2.B.2, an LTIP Unit Limited Partner shall be treated as having a separate Economic Capital Account Balance, and for this purpose a separate Capital Account with an appropriate share of Partnership Minimum Gain and Partner Minimum Gain shall be maintained, for each

tranche of LTIP Units with a different issuance date that it holds and a separate Capital Account for its Common Units, if applicable, and the Economic Capital Account Balance of each holder of Common Units shall not include any Economic Capital Account Balance attributable to other series or classes of Partnership Units.

- B. LTIP General Allocations. After giving effect to the special allocations set forth in Sections 6.2.B.3 and 6.3.A(i)-(v) hereof, and the allocations of Net Income under Sections 6.2.B.1(a)-(c), and subject to the other provisions of this Article 6, but before allocations of Net Income are made under Section 6.2.B.1(d), (e) or (f), Liquidating Gains and Liquidating Losses shall be allocated as follows:
- i. Liquidating Gains (including, for the avoidance of doubt, Liquidating Gains that are a component of any remaining Net Income), shall first be allocated to the LTIP Unit Limited Partners until the Economic Capital Account Balances of such Partners, to the extent attributable to their ownership of LTIP Units, are equal to (1) the Common Unit Economic Balance, multiplied by (2) the number of their LTIP Units (with respect to each LTIP Unit Limited Partner, the "Target Balance"). For the avoidance of doubt, Liquidating Gains allocated with respect to an LTIP Unit pursuant to this Section 6.6.B(i) shall reduce (but not below zero) the Book-Up Target for such LTIP Unit.
 - ii. Liquidating Gain allocated to an LTIP Unit Limited Partner under this Section 6.6.B will be attributed to specific LTIP Units of such LTIP Unit Limited Partner for purposes of determining (1) allocations under this Section 6.6, (2) the effect of the forfeiture or conversion of specific LTIP Units on such LTIP Unit Limited Partner's Capital Account and (3) the ability of such LTIP Unit Limited Partner to convert specific LTIP Units into Common Units. Such Liquidating Gain will generally be attributed in the following order: (1) first, to Vested LTIP Units held for more than two years, (2) second, to Vested LTIP Units held for two years or less, (3) third, to Unvested LTIP Units that have remaining vesting conditions that only require continued employment or service to the Company, the Partnership or an Affiliate of either for a certain period of time (with such Liquidating Gains being attributed in order of vesting from soonest vesting to latest vesting), and (4) fourth, to other Unvested LTIP Units (with such Liquidating Gains being attributed in order of issuance from earliest issued to latest issued). Within each category, Liquidating Gain will be allocated seriatim (i.e., entirely to the first unit in a set, then entirely to the next unit in the set, and so on, until a full allocation is made to the last unit in the set) in the order of smallest Book-Up Target to largest Book-Up Target. Any such allocations shall be made among the holders of LTIP Units in proportion to the aggregate amounts required to be allocated to each under this Section 6.6.
 - iii. After giving effect to the special allocations set forth above in this Section 6.6, if, due to distributions with respect to Common Units in which the LTIP Units do not participate, forfeitures or otherwise, the Economic Capital Account Balance of any LTIP Unit Limited Partner attributable to such LTIP Unit Limited Partner's LTIP Units, exceeds the Target Balance, then Liquidating Losses shall be allocated to such LTIP Unit Limited Partner, or, at the election

of the General Partner, Liquidating Gains shall be allocated to the other Partners, to eliminate the disparity; provided, however, that if Liquidating Losses and Liquidating Gains are insufficient to completely eliminate all such disparities, such losses or gains shall be allocated among Partners in a manner reasonably determined by the General Partner.

- iv. The parties agree that the intent of this Section 6.6 is (1) to the extent possible to make the Capital Account balance associated with each LTIP Unit economically equivalent to the Capital Account balance associated with the Company's Common Units (on a per-unit basis) and (2) to allow conversion of an LTIP Unit (assuming prior vesting) when sufficient Liquidating Gains have been allocated to such LTIP Unit pursuant to Section 6.6 so that either an LTIP Unit's initial Book-Up Target has been reduced to zero or the parity described in clause (1) above has been achieved. The General Partner shall be permitted to interpret this Agreement (including this Section 6.6) and to amend this Agreement to the extent necessary and consistent with this intention.
 - v. In the event that Liquidating Gains or Liquidating Losses are allocated under this Section 6.6, Net Income allocable under clauses 6.2.B.1(d), (e) and (f) and any Losses shall be recomputed without regard to the Liquidating Gains or Liquidating Losses so allocated.
- C. LTIP Forfeiture Reallocations. If an LTIP Unit Limited Partner forfeits any LTIP Units to which Liquidating Gain has previously been allocated under Section 6.6.B, (1) the portion of such LTIP Unit Limited Partner's Capital Account attributable to such Liquidating Gain allocated to such forfeited LTIP Units will be re-allocated to that LTIP Unit Limited Partner's remaining LTIP Units that were outstanding on the date of the initial allocation of such Liquidating Gain, using a methodology similar to that described in Section 6.6.B(ii) above as reasonably determined by the General Partner, to the extent necessary to cause such LTIP Unit Limited Partner's Economic Capital Account Balance attributable to each such LTIP Unit to equal the Common Unit Economic Balance and (2) such LTIP Unit Limited Partner's Capital Account will be reduced by the amount of any such Liquidating Gain not re-allocated pursuant to clause (1) above.

Section 6.7 Allocation Periods. Notwithstanding any other provision of the Partnership Agreement (including the provisions of this Article 6) to the contrary, (i) allocations of income, gain, loss and deduction shall be made pursuant to this Agreement for any portion of a Partnership Year (and not just at the end of a Partnership Year) to the extent the General Partner determines that allocations should be made with respect to such shorter period in connection with the maintenance of Capital Accounts (including, without limitation, for a period ending immediately prior to an event in which the Gross Asset Value of any Partnership asset is adjusted pursuant to subparagraph (ii) of the definition of Gross Asset Value) and (ii) the definition of "Net Income" and "Net Loss" shall be interpreted to apply with respect to any period in which allocations are to be made in connection with maintaining Capital Accounts.

SECTION 7. ARTICLE 8 AMENDMENTS.

Article 8 of the Agreement is hereby supplemented by adding the following paragraph H at the end of Section 8.6 thereof:

H. Holders of LTIP Units shall not be entitled to the Redemption rights provided for in Section 8.6 of this Agreement, unless and until such LTIP Units have been converted into Common Units. Notwithstanding the foregoing, and except as otherwise permitted by the Vesting Agreement or any award document, plan or other agreement pursuant to which an LTIP Unit was issued, without the consent of the General Partner, the Redemption rights shall not be exercisable with respect to any Common Unit issued upon conversion of an LTIP Unit until two years after the date on which the LTIP Unit was issued, provided however, that the foregoing restriction shall not apply (i) if the right of Redemption is exercised by an LTIP Unit holder in connection with a transaction that falls within the definition of a "Change in Control" under the agreement or agreements pursuant to which the LTIP Units were issued to such holder, or (ii) in connection with a mandatory conversion in connection with a Capital Transaction as described in Section 1.14 of Exhibit K hereto.

SECTION 8. SAFE HARBOR ELECTION.

Section 10.2 of the Partnership Agreement is amended by designating the existing text of Section 10.2 as Section 10.2.A, and by appending the following new Section 10.2.B:

B. To the extent provided for in Regulations, revenue rulings, revenue procedures and/or other IRS guidance issued after the date hereof, the Partnership is hereby authorized to, and at the direction of the General Partner shall, elect a safe harbor under which the fair market value of any Partnership Interests issued after the effective date of such Regulations (or other guidance) will be treated as equal to the liquidation value of such Partnership Interests (i.e., a value equal to the total amount that would be distributed with respect to such interests if the Partnership sold all of its assets for their fair market value immediately after the issuance of such Partnership Interests, satisfied its liabilities (excluding any non-recourse liabilities to the extent the balance of such liabilities exceed the fair market value of the assets that secure them) and distributed the net proceeds to the Partners under the terms of this Agreement). In the event that the Partnership makes a safe harbor election as described in the preceding sentence, each Partner hereby agrees to comply with all safe harbor requirements with respect to transfers of such Partnership Interests while the safe harbor election remains effective.

SECTION 9. ARTICLE 11 AMENDMENTS.

Sections 11.3.D, 11.6.E and 11.6.F are hereby amended by replacing the first parenthetical phrase in each subsection with the following new parenthetical phrases:

D. (including any Redemption or exchange for REIT Shares pursuant to Section 8.6, or any other acquisition of Common Units or LTIP Units by the General Partner or the Partnership)

E. (including by way of any acquisition of Common Units or LTIP Units by the Partnership or the General Partner)

F. (including any acquisition of Common Units or LTIP Units by the Partnership or the General Partner)

SECTION 10. NEW EXHIBIT K.

The Agreement is hereby supplemented by adding after Exhibit J thereof a new Exhibit K as follows:

EXHIBIT K

LTIP UNITS

Section 1.1 Designation and Number; Definitions

A class of Partnership Units in the Partnership designated as the “LTIP Units” is hereby established. Except to the extent a capital contribution is made with respect to an LTIP Unit, each LTIP Unit is intended to qualify as “profits interests” in the Partnership. The number of LTIP Units that may be issued shall not be limited. The following defined terms used in this Exhibit K shall have the meanings specified below:

“Capital Transaction” has the meaning set forth in Section 1.14.A.

“LTIP Unit Adjustment Events” has the meaning set forth in 1.9.

“LTIP Unit Conversion Date” has the meaning set forth in Section 1.10.C.

“LTIP Conversion Factor” has the meaning set forth in Section 1.10.A.

“LTIP Unit Conversion Notice” has the meaning set forth in Section 1.10.C.

“LTIP Unit Conversion Right” has the meaning set forth in Section 1.10.A.

“LTIP Unit Forced Conversion” has the meaning set forth in Section 1.11.

“LTIP Unit Forced Conversion Notice” has the meaning set forth in Section 1.11.

“Unvested LTIP Units” has the meaning set forth in Section 1.4.

“Vested LTIP Units” has the meaning set forth in Section 1.4.

“Vesting Agreement” has the meaning set forth in Section 1.4.

Section 1.2 Ranking

Except as otherwise provided in this Exhibit K or elsewhere in the Partnership Agreement, the LTIP Units shall, with respect to distribution rights and rights upon voluntary or involuntary liquidation, winding up or dissolution of the Partnership, rank (i) on a parity with the Common

Units and all other Parity Preferred Units; and (ii) junior to all Partnership Units which rank senior to the Common Units.

Section 1.3 Issuance of LTIP Units

The General Partner may, at any time and from time to time, determine to issue LTIP Units in accordance with Section 4.3.C of the Partnership Agreement. In connection with any such issuance, the General Partner shall (i) determine the amount of the Capital Contribution to be made in connection with such issuance and the manner in which such Capital Contribution shall be made, and (ii) make such revisions to the Partnership Agreement (including but not limited to the revisions described in Sections 5.4, 6.2.C, and 8.6) as it determines are necessary to reflect the issuance of such LTIP Units. Upon the making of the Capital Contribution determined by the General Partner, the holder of such LTIP Units shall be admitted to the Partnership as an Additional Limited Partner upon furnishing to the General Partner (A) evidence of acceptance in form satisfactory to the General Partner of all of the terms and conditions of the Partnership Agreement, including, without limitation, the power of attorney granted in Section 2.4 of the Partnership Agreement, and (B) such other documents or instruments as may be required in the discretion of the General Partner in order to effect such Person's admission as an Additional Limited Partner. Pursuant to Section 12.2.B of the Partnership Agreement, the admission of an Additional Limited Partner shall become effective on the date upon which the name of such person is recorded by the General Partner in the books and records of the Partnership.

Section 1.4 Vesting

LTIP Units may, in the sole discretion of the General Partner, be issued subject to vesting, forfeiture and additional restrictions on transfer pursuant to the terms of an award, vesting or other similar agreement (a "**Vesting Agreement**"). The terms of any Vesting Agreement may be modified by the General Partner from time to time in its sole discretion, subject to any restrictions on amendment imposed by the relevant Vesting Agreement or by the terms of any plan pursuant to which the LTIP Units are issued, if applicable. LTIP Units that have vested and are no longer subject to forfeiture under the terms of a Vesting Agreement are referred to as "**Vested LTIP Units**"; all other LTIP Units are referred to as "**Unvested LTIP Units**." Subject to the terms of any Vesting Agreement, a holder of LTIP Units shall be entitled to transfer his or her LTIP Units to the same extent, and subject to the same restrictions as holders of Common Units are entitled to transfer their Common Units pursuant to Article 11 of the Partnership Agreement.

Section 1.5 Forfeiture or Transfer of Unvested LTIP Units

Unless otherwise specified in the relevant Vesting Agreement, upon the occurrence of any event specified in a Vesting Agreement as resulting in either the forfeiture of any LTIP Units, or the repurchase by the Partnership or the General Partner of LTIP Units at a specified purchase price, then, upon the occurrence of the circumstances resulting in such forfeiture or repurchase by the Partnership or the General Partner, the relevant LTIP Units shall immediately, and without any further action, be treated as cancelled and no longer outstanding for any purpose, or as transferred to the Partnership or General Partner, as applicable. Unless otherwise specified in the Vesting Agreement, no consideration or other payment shall be due with respect to any LTIP Units that have been forfeited, other than any distributions declared with a record date prior to the effective date of the forfeiture.

Section 1.6 Legend.

The books and records of the Partnership as maintained by the General Partner or by its agent (or if applicable any certificate evidencing an LTIP Unit) shall bear an appropriate notation or legend indicating that additional terms, conditions and restrictions on transfer, including without limitation those set forth in a Vesting Agreement, apply to LTIP Units.

Section 1.7 Distributions.

The distributions to which holders of LTIP Units will be entitled with respect to their LTIP Units will be determined in accordance with the terms of the Partnership Agreement, including, without limitation, Article 5 and Article 8 thereof.

Section 1.8 Allocations.

The allocations to which holders of LTIP Units will be entitled with respect to their LTIP Units will be determined in accordance with the terms of the Partnership Agreement, including, without limitation, Article 6 thereof.

Section 1.9 Adjustments.

The General Partner shall maintain a one-to-one correspondence between Common Units and LTIP Units upon events such as distributions on all outstanding Common Units in additional Partnership Units, subdivision, combination, reclassification or recapitalization of the Common Units. If more than one such event triggers an adjustment, the adjustment to the LTIP Units need be made only once using a single formula that takes into account the multiple events as if they all occurred simultaneously. If in the opinion of the General Partner an adjustment to the LTIP Units is required to maintain the correspondence between Common Units and LTIP Units, the General Partner shall make such adjustment to the extent permitted by law and by the terms of any plan pursuant to which the LTIP Units have been issued in such manner and at such time as the General Partner, in its sole discretion, may determine to be appropriate under the circumstances to maintain such correspondence. If an adjustment is made to the LTIP Units as herein provided, the Partnership shall promptly (i) file in the books and records of the Partnership an officer's certificate setting forth such adjustment and a brief statement of the facts requiring such adjustment, which certificate shall be conclusive evidence of the correctness of such adjustment absent manifest error, and (ii) give notice thereof to the holders of LTIP Units.

Section 1.10 Right to Convert LTIP Units into Common Units

A. **Conversion Right.** A holder of LTIP Units shall have the right (the "**LTIP Unit Conversion Right**"), at his or her option, at any time to convert all or a portion of his or her Vested LTIP Units into a number (or fraction thereof) of fully paid and non-assessable Common Units, giving effect to all adjustments (if any) made pursuant to Section 1.9 equal to the LTIP Conversion Factor (as defined below) as applicable to each LTIP Unit being converted. Holders of LTIP Units shall not have the right to convert Unvested LTIP Units into Common Units until they become Vested LTIP Units; provided, however, that when a holder of LTIP Units is notified of the expected occurrence of an event that will cause his or her Unvested LTIP Units to become Vested LTIP Units, such Person may give the Partnership an LTIP Unit Conversion Notice conditioned upon and effective as of the time of vesting, and such LTIP Unit Conversion Notice, unless

subsequently revoked by the holder of the LTIP Units, shall be accepted by the Partnership subject to such condition. In all cases, the conversion of any LTIP Units the Book-Up Target of which is zero into Common Units shall be subject to the conditions and procedures set forth in this Section 1.10. "**LTIP Conversion Factor**" shall mean the quotient of (i) the Economic Capital Account Balance attributable to the LTIP Unit being converted as of the date of conversion, divided by (ii) the Common Unit Economic Balance as of the date of conversion, provided that if the Economic Capital Account Balance attributable to an LTIP Unit has at any time reached an amount equal to the Common Unit Economic Balance determined as of such time, the LTIP Conversion Factor for such LTIP Unit shall never exceed one (1).

B. **Number of Units Convertible.** A holder of Vested LTIP Units may convert such Vested LTIP Units the Book-Up Target of which is zero into an equal number of fully paid and non-assessable Common Units (after giving effect to any adjustments made pursuant to Section 1.9).

C. **Notice.** In order to exercise his or her Conversion Right, a holder of LTIP Units shall deliver a notice (an "**LTIP Unit Conversion Notice**") in the form attached as Schedule K-1 hereto not less than 10 nor more than 60 days prior to a date (the "**LTIP Unit Conversion Date**") specified in such LTIP Unit Conversion Notice. Each holder of LTIP Units covenants and agrees with the Partnership that all Vested LTIP Units to be converted pursuant to this Section 1.10 shall be free and clear of all liens, claims and/or encumbrances whatsoever. Notwithstanding anything herein to the contrary (but subject to Article 8 of the Partnership Agreement), a holder of LTIP Units may deliver a Notice of Redemption pursuant to Section 8.6 of the Partnership Agreement relating to those Common Units that will be issued to such holder upon conversion of such LTIP Units into Common Units in advance of the LTIP Unit Conversion Date; provided, however, that the redemption of such Common Units by the Partnership shall in no event take place until the LTIP Unit Conversion Date. For clarity, it is noted that the objective of this paragraph is to put a holder of LTIP Units in a position where, if he or she so wishes, the Common Units into which his or her Vested LTIP Units will be converted can be redeemed by the Partnership in accordance with Section 8.6 of the Partnership Agreement simultaneously with such conversion, with the further consequence that, if the Company elects to assume the Partnership's redemption obligation with respect to such Common Units under Section 8.6.B of the Partnership Agreement by delivering to such holder REIT Shares, then such holder can have such REIT Shares issued to him or her simultaneously with the conversion of his or her Vested LTIP Units into Common Units. The General Partner shall cooperate with a holder of LTIP Units to coordinate the timing of the different events described in the foregoing sentence.

Section 1.11 Forced Conversion.

The Partnership, at any time at the election of the General Partner, may cause any number of Vested LTIP Units the Book-Up Target of which is zero held by a holder of LTIP Units to be converted (a "**LTIP Unit Forced Conversion**") into an equal number of Common Units (after giving effect to any adjustments made pursuant to Section 1.9). In order to exercise its right to cause an LTIP Unit Forced Conversion, the Partnership shall deliver a notice (a "**LTIP Unit Forced Conversion Notice**") in the form attached as Schedule K-2 hereto to the applicable holder not less than 10 nor more than 60 days prior to the LTIP Unit Conversion Date specified in such LTIP Unit Forced Conversion Notice. A Forced LTIP Unit Conversion Notice shall be provided in the manner provided in Section 15.1 of the Partnership Agreement.

Section 1.12 Conversion Procedures.

Subject to any redemption of Common Units to be received upon the conversion of Vested LTIP Units, a conversion of Vested LTIP Units for which the holder thereof has given an LTIP Unit Conversion Notice or the Partnership has given a Forced LTIP Unit Conversion Notice shall occur automatically after the close of business on the applicable LTIP Unit Conversion Date without any action on the part of such holder of LTIP Units, as of which time such holder of LTIP Units shall be credited on the books and records of the Partnership with the issuance as of the opening of business on the next day of the number of Common Units issuable upon such conversion. After the conversion of LTIP Units as aforesaid, the Partnership shall deliver to such holder of LTIP Units, upon his or her written request, a certificate of the General Partner certifying the number of Common Units and remaining LTIP Units, if any, held by such Person immediately after such conversion.

Section 1.13 Treatment of Capital Account.

For purposes of making future allocations under Article 6 of the Partnership Agreement, as amended from time to time, the portion of the Economic Capital Account Balance of the applicable holder of LTIP Units that is treated as attributable to his or her LTIP Units shall be reduced, as of the date of conversion, by the product of the number of LTIP Units converted and the Common Unit Economic Balance.

Section 1.14 Mandatory Conversion in Connection with a Capital Transaction.

A. If the Partnership, the General Partner or the Company shall be a party to any transaction (including without limitation a merger, consolidation, unit exchange, self-tender offer for all or substantially all Common Units or other business combination or reorganization, or sale of all or substantially all of the Partnership's assets, but excluding any transaction which constitutes an LTIP Unit Adjustment Event), in each case as a result of which Common Units shall be exchanged for or converted into the right to receive, or the holders of Common Units shall otherwise be entitled to receive cash, securities or other property or any combination thereof (each of the foregoing being referred to herein as a "**Capital Transaction**"), then the General Partner shall, immediately prior to the Capital Transaction, exercise its right to cause an LTIP Unit Forced Conversion with respect to the maximum number of LTIP Units then eligible for conversion, taking into account any allocations that occur in connection with the Capital Transaction or that would occur in connection with the Capital Transaction if the assets of the Partnership were sold at the Capital Transaction price or, if applicable, at a value determined by the General Partner in good faith using the value attributed to the Partnership Units in the context of the Capital Transaction (in which case the LTIP Unit Conversion Date shall be the effective date of the Capital Transaction and the conversion shall occur immediately prior to the effectiveness of the Capital Transaction).

B. In anticipation of such LTIP Unit Forced Conversion and the consummation of the Capital Transaction, the Partnership shall use commercially reasonable efforts to cause each holder of LTIP Units to be afforded the right to receive in connection with such Capital Transaction in consideration for the Common Units into which his or her LTIP Units will be converted the same kind and amount of cash, securities and other property (or any combination thereof) receivable upon the consummation of such Capital Transaction by a holder of the same number of Common Units, assuming such holder of Common Units is not a Person with which the

Partnership consolidated or into which the Partnership merged or which merged into the Partnership or to which such sale or transfer was made, as the case may be (a "Constituent Person"), or an Affiliate of a Constituent Person. In the event that holders of Common Units have the opportunity to elect the form or type of consideration to be received upon consummation of the Capital Transaction, prior to such Capital Transaction the General Partner shall give prompt written notice to each holder of LTIP Units of such election, and shall use commercially reasonable efforts to afford such holders the right to elect, by written notice to the General Partner, the form or type of consideration to be received upon conversion of each LTIP Unit held by such holder into Common Units in connection with such Capital Transaction. If a holder of LTIP Units fails to make such an election, such holder (and any of its transferees) shall receive upon conversion of each LTIP Unit held by him or her (or by any of his or her transferees) the same kind and amount of consideration that a holder of a Common Unit would receive if such holder of Common Units failed to make such an election.

C. Subject to the rights of the Partnership and the General Partner under any Vesting Agreement and the terms of any plan under which LTIP Units are issued, the Partnership shall use commercially reasonable efforts to cause the terms of any Capital Transaction to be consistent with the provisions of this Section 1.14 and to enter into an agreement with the successor or purchasing entity, as the case may be, for the benefit of any holders of LTIP Units whose LTIP Units will not be converted into Common Units in connection with the Capital Transaction that will contain provisions enabling the holders of LTIP Units that remain outstanding after such Capital Transaction to preserve as far as reasonably possible under the circumstances the distribution, special allocation, conversion, and other rights set forth in this Exhibit K and the Partnership Agreement.

Section 1.15 Redemption Right of LTIP Unit Limited Partners.

A. LTIP Units will not be redeemable at the option of the Partnership; provided, however, that the foregoing shall not prohibit the Partnership from (i) repurchasing LTIP Units from the holder thereof if and to the extent such holder agrees to sell such LTIP Units or (ii) from exercising its LTIP Unit Forced Conversion right.

B. Except as otherwise set forth in the relevant Vesting Agreement or other separate agreement entered into between the Partnership and a LTIP Unit Limited Partner, and subject to the terms and conditions set forth herein or in the Partnership Agreement, on or at any time after the applicable LTIP Unit Conversion Date each LTIP Unit Limited Partner will have the same right (and subject to the same terms and conditions and to be effected in the same manner) to require the Partnership to redeem all or a portion of the Common Units into which such LTIP Unit Limited Partner's LTIP Units were converted as the other Holders of Partnership Common Units in accordance with Article 8 of the Partnership Agreement.

Section 1.16 Voting Rights.

Holders of LTIP Units, whether vested or unvested, shall not have any voting rights other than as provided in Section 1.17.

Section 1.17 Special Approval Rights.

Holders of LTIP Units shall only (a) have those voting rights required from time to time by non-waivable provisions of applicable law, if any, and (b) have the additional voting rights that are expressly set forth in this Section 1.17. The General Partner and/or the Partnership shall not, without the affirmative vote of holders of more than 50% of the then outstanding LTIP Units (both vested and unvested) affected thereby, given in person or by proxy, either in writing or at a meeting (voting separately as a class), take any action that would materially and adversely alter, change, modify or amend, whether by merger, consolidation or otherwise, the rights, powers or privileges of such LTIP Units, subject to the following exceptions:

(i) no separate consent of the holders of LTIP Units will be required if and to the extent that any such alteration, change, modification or amendment would, in a ratable and proportional manner, alter, change, modify or amend the rights, powers or privileges of the Common Units;

(ii) a merger, consolidation or other business combination or reorganization of the Partnership, the Company or any of their Affiliates shall not be deemed to materially and adversely alter, change, modify or amend the rights, powers or privileges of the LTIP Units, so long as either (w) the LTIP Units that are then eligible for conversion (or that the General Partner provides will be eligible for conversion in connection with the merger, consolidation or other business combination or reorganization) are converted into Common Units immediately prior to the effectiveness of the transaction, (x) the holders of LTIP Units either will receive, or will have the right to elect to receive, for each LTIP Unit an amount of cash, securities, or other property equal to the amount of cash, securities or other property that would be paid in respect of such LTIP Unit had it been converted into a number of Common Units (or fraction of a Common Unit), as applicable, (y) the LTIP Units remain outstanding with their terms materially unchanged, or (z) if the Partnership is not the surviving entity in the merger, consolidation or other business combination or reorganization, the LTIP Units are exchanged for a security of the surviving entity with terms that are materially the same with respect to rights to allocations, distributions, redemption, conversion and voting as the LTIP Units;

(iii) any creation or issuance of Partnership Units (whether ranking junior to, on a parity with or senior to the LTIP Units in any respect), which either (x) does not require the consent of the holders of Common Units or (y) does require such consent and is authorized by a vote of the holders of Common Units, together with any other class or series of units of limited partnership interest in the Partnership upon which like voting rights have been conferred, shall not be deemed to materially and adversely alter, change, modify or amend the rights, powers or privileges of the LTIP Units; and

(iv) any waiver by the Partnership of restrictions or limitations applicable to any outstanding LTIP Units with respect to any holder or holders thereof shall not be deemed to materially and adversely alter, change, modify or amend the rights, powers or privileges of the LTIP Units with respect to other holders. For the avoidance of doubt, the General Partner in its sole discretion may waive any restrictions or limitations (including vesting restrictions or transfer restrictions) applicable to any outstanding LTIP Units with respect to any holder or holders at any time and from time to time. Any such determination in the General Partner's discretion in respect of such LTIP Units shall be final and binding. Such determinations need not be uniform and may be made selectively among holders of LTIP Units, whether or not such holders are similarly

situated, and shall not constitute the breach of any duty hereunder or otherwise existing at law, in equity or otherwise.

The foregoing special approval rights will not apply if, as of or prior to the time when the action with respect to which such vote would otherwise be required will be taken or be effective, all outstanding LTIP Units shall have been converted and/or redeemed, or provision is made for such redemption and/or conversion to occur as of or prior to such time.

Section 1.18 Rights to Transfer.

Subject to the terms of the relevant Vesting Agreement or other document pursuant to which LTIP Units are granted, except in connection with the exercise of a LTIP Unit Redemption Right pursuant to Section 8.6 of the Partnership Agreement, a transfer all or any portion of a holder's LTIP Units will be subject to Article 11 of the Partnership Agreement.

[End of text]

IN WITNESS WHEREOF, the undersigned has hereby executed this Amendment as of the date first written above.

PROLOGIS, INC.
a Maryland Corporation
the general partner

By: /s/ Michael T. Blair

Name: Michael T. Blair

Title: Managing Director and Assistant Secretary

Notice of Election by Partner to Convert LTIP Units into Common Units

The undersigned holder of LTIP Units hereby irrevocably elects to convert the number of Vested LTIP Units in Prologis, L.P. (the **Partnership**) set forth below into Common Units in accordance with the terms of the Thirteenth Amended and Restated Agreement of Limited Partnership of the Partnership, as amended. The undersigned hereby represents, warrants, and certifies that the undersigned: (a) has title to such LTIP Units, free and clear of the rights or interests of any other Person other than the Partnership; (b) has the full right, power, and authority to cause the conversion of such LTIP Units as provided herein; and (c) has obtained the consent or approval of all persons or entities, if any, having the right to consent or approve such conversion.

Name of Holder: _____
(Please Print: Exact Name as Registered with Partnership)

Number of LTIP Units to be Converted: _____

Conversion Date: _____

(Signature of Holder: Sign Exact Name as Registered with Partnership)

(Street Address)

(City) (State) (Zip Code)

Medallion Guarantee: _____

**Notice of Election by Partnership to Force Conversion
of LTIP Units into Common Units**

Prologis, L.P. (the "**Partnership**") hereby irrevocably elects to cause the number of LTIP Units held by the holder of LTIP Units set forth below to be converted into Common Units in accordance with the terms of the Agreement of Limited Partnership of the Partnership, as amended.

Name of Holder: _____

(Please Print: Exact Name as Registered with Partnership)

Number of LTIP Units to be Converted: _____

Conversion Date: _____

**PROLOGIS, INC.
OUTPERFORMANCE PLAN**

PARTICIPATION POINTS AND LTIP UNIT AWARD AGREEMENT

Name of the Grantee: [] (the "**Grantee**")
 Performance Period: January 1, 201 through December 31, 201
 Participation Points: []
 No. of LTIP Units Awarded: []
 Grant Effective Date: []

RECITALS

A. The Grantee is an employee of Prologis, Inc. (the "**Company**") or a "Related Company" as defined in the Prologis, Inc. Long-Term Incentive Plan (as amended and supplemented from time to time, the "**Plan**") and provides services to Prologis, L.P., through which the Company conducts substantially all of its operations (the "**Partnership**").

B. Pursuant to the Plan, the Prologis, Inc. Outperformance Plan (as amended, restated and supplemented from time to time, the "**OPP Program**"), and the Limited Partnership Agreement of the Partnership (as amended and supplemented from time to time, the "**Partnership Agreement**"), the Company as general partner of the Partnership hereby grants to the Grantee an award of Participation Points (as defined in the OPP Program) and a corresponding Full Value Award (as defined in the Plan, referred to herein as an "**Award**") in the form of, and by causing the Partnership to issue to the Grantee, the number of LTIP Units (as defined in the Partnership Agreement) set forth above (the "**Award LTIP Units**") having the rights, voting powers, restrictions, limitations as to distributions, qualifications and terms and conditions of redemption and conversion set forth herein and in the Partnership Agreement.

C. On [], the Compensation Committee (the "**Committee**") of the Board of Directors of the Company (i) determined that the Grantee is entitled to receive the number of Participation Points set forth above and (ii) estimated, as of the Grant Effective Date and in accordance with Section 2.7 of the OPP Program, that such Participation Points could, as of the end of the Performance Period set forth above, represent a value that would, based on reasonable assumptions used by the Committee in arriving at its estimate, be converted in a number of LTIP Units up to the Award LTIP Units. The Award LTIP Units were calculated pursuant to an approximation, based on reasonable assumptions, of the final performance pool and of the percentage of such performance pool that would be attributable to the Grantee at the conclusion of the Performance Period pursuant to the OPP Program based on the Participation Points awarded to Grantee hereby. The exact number of LTIP Units earned shall be determined on the Valuation Date (as defined in the OPP Program) following the conclusion of the Performance Period. Any Award LTIP Units not earned upon the Valuation Date will be forfeited and any additional LTIP Units owed to the Grantee shall be issued as soon as reasonably practical

following the Valuation Date or as such other time or times as permitted by Section 2.7 of the OPP Program.

D. Generally, under the OPP Program, in the event that the Company's annualized total return to shareholders during the Performance Period exceeds the annualized total shareholder return of the MSCI US REIT Index (RMS) by more than 100 basis points during the Performance Period, then a performance pool will be formed under the OPP Program equal to three percent (3%) of the Company's excess return to shareholders, provided that in no event shall the performance pool exceed an amount equal to the greater of (i) \$75,000,000 or (ii) one-half percent (0.5%) of the Company's common equity market capitalization as of the Initial Date (as defined in the OPP Program). The Grantee's earned award, generally, will equal (A) the Grantee's Participation Points divided by the Total Participation Points granted by the Company for the Performance Period, multiplied by (B) the performance pool. Special provisions will apply, and the Award may be forfeited in the event that Grantee's employment is terminated prior to the end of the Performance Period. The Award will be governed by the terms of the OPP Program.

E. Upon the close of business on the Grant Effective Date pursuant to this Participation Points and LTIP Unit Award Agreement (this "**Agreement**"), the Grantee shall receive the number of Participation Points and LTIP Units specified above, subject to the restrictions and conditions set forth herein, in the OPP Program, in the Plan, and in the Partnership Agreement. Unless otherwise indicated, capitalized terms used herein but not defined shall have the meanings given to those terms in the OPP Program.

NOW, THEREFORE, the Company, the Partnership and the Grantee agree as follows:

1. **Effectiveness of Award.** The Grantee shall be admitted as a partner of the Partnership with beneficial ownership of the Award LTIP Units as of the Grant Effective Date by (i) signing and delivering to the Partnership a copy of this Agreement, (ii) signing, as a Limited Partner, and delivering to the Partnership a counterpart signature page to the Partnership Agreement (attached hereto as Exhibit A) and (iii) making a Capital Contribution (as defined in the partnership Agreement) in cash in the amount of \$[] per Award LTIP Unit to the Partnership (the "**Per Unit Contribution**"). Upon execution of this Agreement by the Grantee, the Partnership and the Company, the books and records of the Partnership maintained by the General Partner shall reflect the issuance to the Grantee of the Award LTIP Units. Thereupon, the Grantee shall have all the rights of a Limited Partner of the Partnership with respect to a number of LTIP Units equal to the Award LTIP Units, subject, however, to the restrictions and conditions specified in Section 2 below and elsewhere herein. The LTIP Units are uncertificated securities of the Partnership and upon the Grantee's request the General partner shall confirm the number of LTIP Units issued to the Grantee.

2. Vesting of Award LTIP Units.

(i) This Award is subject to performance vesting and a continuous service requirement during the Performance Period. The Award LTIP Units will be subject to forfeiture (a) based on the Company's performance to the extent provided in Section 2(ii) by reference to the provisions of Sections 2.1, 2.2, 2.3 and 2.4 of the OPP Program, and (b) in the event of

termination of the Grantee's employment, death or disability to the extent provided in Section 2(iii) by reference to the provisions of Section 2.5 of the OPP Program. At any time prior to or in connection with the determination and allocation of the Performance Pool pursuant to the OPP Program, the Partnership may issue additional LTIP Units to the Grantee as provided in Section 3 hereof that shall also be considered Award LTIP Units and subject to all of the terms and conditions of this Agreement and the OPP Program; provided that such issuance will be subject to the Grantee confirming the truth and accuracy of the representations set forth in Section 12 hereof and executing and delivering such documents, comparable to the documents executed and delivered in connection with this Agreement, as the Company and/or the Partnership reasonably request in order to comply with all applicable legal requirements, including, without limitation, federal and state securities laws, and the Grantee making a Capital Contribution (as defined in the Partnership Agreement) in cash on or before the issuance date in such amount as the Company, in its capacity as general partner of the Partnership, shall determine for each such additional LTIP Unit issued.

(ii) The performance vesting provisions of Sections 2.2, 2.3 and 2.4 of the OPP Program shall be applied to this Award as follows:

(a) Determination of Performance Pool. As soon as practical following the Valuation Date of a Performance Period, the Committee shall determine the size of the Performance Pool in accordance with the steps provided in Section 2.2 of the OPP Program. If the Performance Pool is not a positive number, all Award LTIP Units shall, without payment of any consideration by the Partnership, automatically and without notice be forfeited and be and become null and void, and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such Award LTIP Units.

(b) Allocation of Performance Pool. If the Performance Pool is a positive number, the Committee shall certify in writing the size of the Performance Pool and shall then determine the dollar value of the Award (or all Awards in case of multiple Awards to the grantee for the same Performance Period) with respect to the Performance Period for which the Performance Pool has been generated by multiplying the Performance Pool by a fraction, the numerator of which shall be the Participation Points held by the Grantee with respect to the Performance Period (after giving effect to all Awards to the Grantee with respect to the Performance Period and any forfeitures of Awards by the Grantee with respect to the Performance Period) and the denominator of which shall be the Total Participation Points outstanding for the Performance Period (after giving effect to all Awards to all Participants with respect to the Performance Period and any forfeitures of Awards by any Participants with respect to the Performance Period).

(c) Vesting of Award LTIP Units. After applying Section 2(iii) hereof in the event of termination of the Grantee's employment, death or disability prior to the Valuation Date, the dollar value of the Award as determined pursuant to Section 2(ii)(a) and (b) above for the Grantee shall be divided by the Fair Market Value of a share of Common Stock (as defined in the OPP Program) as of the date the Committee makes its final determination pursuant to Section 2.3 of the OPP Program (appropriately adjusted to

the extent that the “REIT Shares Amount” or the “Deemed Partnership Interest Value” with respect to “Common Units” (all as defined in the Partnership Agreement) have been adjusted since the Grant Effective Date); the resulting number is hereafter referred to as the “Earned LTIP Unit Equivalent,” provided that the determination of the Earned LTIP Unit Equivalent is subject to the contingency and deferral provisions of Section 2(ii)(d) below, if applicable.

(d) *Absolute Shareholder Return Modifier*

(I) Notwithstanding Section 2(ii)(c) above, if the Company’s Absolute Shareholder Return (as defined in the OPP Program) for the entire Performance Period is not a positive number, then the Earned LTIP Unit Equivalent shall not be determined unless the Company’s Absolute Shareholder Return on a cumulative basis since the beginning of the Performance Period becomes positive within seven (7) years following the end of the Performance Period. For purposes of the preceding sentence, the Company’s Absolute Shareholder Return shall be measured at the end of each quarter, beginning with the first quarter following the end of the Performance Period, and it shall be measured from the beginning of the Performance Period through the end of such quarter.

(II) The Grantee’s employment with the Company or a Related Company need not continue past the Valuation Date with respect to the Performance Period for determination of the Earned LTIP Unit Equivalent to be determined pursuant to this Section 2(ii).

(III) If the Absolute Shareholder Return becomes positive within the seven (7) year period following the Performance Period, then as soon as reasonably practicable, but no later than seventy-five (75) days after the end of the quarter when the Absolute Shareholder Return became positive, the Earned LTIP Unit Equivalent shall be determined in the same manner as provided in Section 2(ii)(c) above, except that the dollar value of the Award as originally determined pursuant to Section 2(ii)(b) shall be divided by the Fair Market Value of a share of Common Stock (as defined in the OPP Program) as of the last day of the quarter when the Absolute Shareholder Return became positive, rather than as of the earlier date provided in Section 2(ii)(c). The term “Earned LTIP Unit Equivalent” refers to the number of Award LTIP Units calculated pursuant to Section 2(ii)(c) or this Section 2(ii)(d)(III), as the case may be.

(IV) If the Absolute Shareholder Return does not become positive within the seven (7) year period following the Performance Period, then notwithstanding Section 2(ii)(b), the Award and all Award LTIP Units held by the Grantee with respect to the Performance Period shall, without payment of any consideration by the Company, automatically and without notice terminate, be forfeited and be and become null and void, and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in the Award or such Award LTIP Units.

(e) Earned LTIP Unit Equivalent Compared to Award LTIP Units. If the Earned LTIP Unit Equivalent is smaller than the number of Award LTIP Units previously issued to the Grantee, then the Grantee shall forfeit a number of Award LTIP Units equal to the difference without payment of any consideration by the Partnership; thereafter the term Award LTIP Units will refer only to the Award LTIP Units that were not so forfeited and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in the LTIP Units that were so forfeited. If the Earned LTIP Unit Equivalent is greater than the number of Award LTIP Units previously issued to the Grantee, then, upon the performance of the calculations set forth in Section 2(ii) above: (A) the Company shall cause the Partnership to issue to the Grantee a number of additional LTIP Units equal to the difference; (B) such additional LTIP Units shall be added to the Award LTIP Units previously issued, if any, and thereby become part of this Award; (C) the Company and the Partnership shall take such corporate and partnership action as is necessary to accomplish the grant of such additional LTIP Units; and (D) thereafter the term Award LTIP Units will refer collectively to the Award LTIP Units, if any, issued prior to such additional grant plus such additional LTIP Units; provided that such issuance will be subject to the Grantee confirming the truth and accuracy of the representations set forth in Section 12 hereof and executing and delivering such documents, comparable to the documents executed and delivered in connection with this Agreement, as the Company and/or the Partnership reasonably request in order to comply with all applicable legal requirements, including, without limitation, federal and state securities laws, and the Grantee making a Capital Contribution (as defined in the Partnership Agreement), if any, in cash on or before the issuance date in such amount as the Company, in its capacity as general partner of the Partnership, shall determine for each such additional LTIP Unit issued. If the Earned LTIP Unit Equivalent is the same as the number of Award LTIP Units previously issued to the Grantee, then there will be no change to the number of Award LTIP Units.

(iii) The continuous service requirements of Section 2.5 of the OPP Program shall be applied to this Award as follows:

(a) If the Grantee's employment with the Company or a Related Company terminates, the provisions of this Section 2(iii) and the OPP Program, or the Plan if applicable, shall govern the treatment of this Award (and in particular the timing and method of calculations pursuant to Section 2(ii), 2(iii) and 2(iv) and related vesting or forfeiture), unless the provisions of any employment or other agreement to which the Grantee is then a party or termination or severance policies of the Company applicable to the Grantee then in effect specifically provide that they supersede this Award.

(b) In the event of termination of the Grantee's employment (I) by the Grantee upon Retirement (as defined in the OPP Program) or (II) by reason of the Participant's death or Disability (as defined in the OPP Program) (each a "**Qualified Termination**") after the Initial Date, but prior to the Valuation Date of the Performance Period, then the Grantee will retain the number of Participation Points initially granted to him or her with respect to the Performance Period, but all calculations and payments, if any, with respect

to this Award shall be made at the same time and on the same conditions set forth in Sections 2.2, 2.3 and 2.4 of the OPP Program for all other Participants.

(c) In the event of a termination of the Grantee's employment for any reason other than a Qualified Termination prior to a Valuation Date for the Performance Period, this Award shall, without payment of any consideration by the Company, automatically and without notice terminate, be forfeited and be and become null and void, and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in this Award, or any related Participation Points or Award LTIP Units.

(iv) The change of control provisions of Section 2.6 of the OPP Program shall be applied to this Award as follows:

(a) In the event of a Change of Control (as defined in the OPP Program), the Committee will determine the size of the Performance Pool for the Performance Period and the dollar value of this Award in accordance with Section 2(ii) above no later than the date of consummation of the Change of Control. For avoidance of doubt, in the event of a Change of Control, the performance of all calculations and actions pursuant to Sections 2.2 and 2.3 of the OPP Program using the applicable Valuation Date shall be conditioned upon the final consummation of such Change of Control.

(b) After the determination of the dollar value of this Award, if the Grantee has incurred a Qualified Termination the Earned LTIP Units Equivalent shall be determined as soon as reasonably practicable, but no later than thirty (30) days of the consummation of a Change of Control. Otherwise, the dollar value of this Award shall be fixed at the dollar amount determined pursuant to Section 2(ii) above and be payable in cash, but shall only be paid to the Grantee upon the earlier of (A) the last day of the Performance Period if the Grantee remains employed by the Company (or its successor) until such day, or (B) the termination of the Grantee's employment by the Company (or its successor) without Cause or by the Grantee with Good Reason prior to the end of the Performance Period if such termination of employment occurs within twenty-four (24) months following the Change of Control. Notwithstanding the foregoing, if the Company's successor does not irrevocably and unconditionally agree to assume this Award in connection with the Change of Control, the dollar value of this Award shall be fully paid out to the Grantee in cash within thirty (30) days of the consummation of the Change of Control,

(c) If in connection with the Change of Control the provisions of Sections 1.14.B and 1.14.C of Exhibit K to the Partnership Agreement apply and holders of Common Units have the opportunity to receive substitute securities upon consummation of the Change of Control, the Partnership shall use commercially reasonable efforts to afford the Grantee the right to participate in an exchange of partnership interests with respect to the Earned LTIP Units Equivalent on terms as comparable as reasonably possible to those for a holder of an equal number of Common Units in connection with such Change of Control, subject to the continuing application of any restrictions then

applicable to the LTIP Units included in the Earned LTIP Units Equivalent under the Partnership Agreement, this Award, the OPP Program or the Plan. In the absence of such an alternative (including by reason of the Grantee's failure to execute the required documentation, meet eligibility requirements or take required steps to participate in the exchange), the provisions of Section 2(iv)(a) and 2(iv)(b) above shall apply automatically without any action being required or permitted by the Grantee. For the avoidance of doubt, the foregoing provisions of this Section 2(iv)(c) shall not be deemed to create any duty or obligation for the Partnership or the General Partner to make available to the Grantee a structure that preserves for the Grantee following the consummation of the Change of Control the amount, type or timing of income, gain or loss expected to be recognized by the Grantee for U.S. federal income tax purposes if his LTIP Units had been converted into Common Units, or to make available the opportunity to exchange the Earned LTIP Unit Equivalent for substitute securities with terms materially the same, with respect to rights to allocations, distributions, redemption, conversion and voting, as the LTIP Units before such Change of Control.

3. **Distributions.** The Grantee shall be entitled to receive distributions with respect to the Award LTIP Units to the extent provided for in the Partnership Agreement as follows:

- (a) The Award LTIP Units are hereby designated as "Special LTIP Units."
- (b) The LTIP Unit Distribution Participation Date with respect to the Award LTIP Units is the Grant Effective Date.
- (c) The Special LTIP Unit Full Participation Date with respect to the Award LTIP Units is the date on which the Earned LTIP Unit Equivalent is determined pursuant to the applicable clause of Section 2 hereof.
- (d) The Special LTIP Unit Sharing Percentage with respect to the Award LTIP Units is ten percent (10%).
- (e) All distributions paid with respect to the Award LTIP Units shall be fully vested and non-forfeitable when paid, whether or not the Award LTIP Units have been earned based on performance or have become vested based on continued employment as provided in Section 2 hereof.

4. **Rights with Respect to Award LTIP Units.** Without duplication with the provisions of Section 14 of the Plan, the OPP Program, or Section 1.14 of ~~Exhibit K~~ to the Partnership Agreement, if (i) the Company shall at any time be involved in a merger, consolidation, dissolution, liquidation, reorganization, exchange of shares, sale of all or substantially all of the assets or capital stock of the Company or a transaction similar thereto, (ii) any stock dividend, stock split, reverse stock split, stock combination, reclassification, recapitalization, or other similar change in the capital structure of the Company, or any distribution to holders of Common Stock other than ordinary cash dividends, shall occur, or (iii) any other event shall occur which, in each case in the judgment of the Committee, necessitates action by way of adjusting the terms of this Award, then and in that event, the Committee may take such action, if any, as it determines to be reasonably required to maintain the Grantee's

rights hereunder so that they are substantially proportionate to the rights existing under this Agreement prior to such event, including, but not limited to, substitution of other awards under the Plan.

5. Incorporation of OPP Program and the Plan; Interpretation by Committee This Agreement is subject in all respects to the terms, conditions, limitations and definitions contained in the OPP Program and the Plan. In the event of any discrepancy or inconsistency between this Agreement, the OPP Program and the Plan, the terms and conditions of the OPP Program shall control. The Committee may make such rules and regulations and establish such procedures for the administration of this Agreement as it deems appropriate. Without limiting the generality of the foregoing, the Committee may interpret the OPP Program, the Plan and this Agreement, with such interpretations to be conclusive and binding on all persons and otherwise accorded the maximum deference permitted by law. In the event of any dispute or disagreement as to interpretation of the OPP Program, the Plan or this Agreement or of any rule, regulation or procedure, or as to any question, right or obligation arising from or related to the OPP Program, the Plan or this Agreement, the decision of the Committee shall be final and binding upon all persons.

6. Restrictions on Transfer.

(i) Except as otherwise permitted by the Committee, none of the Award LTIP Units granted hereunder nor any of the common units of the Partnership into which such Award LTIP Units may be converted (the "**Award Common Units**") shall be sold, assigned, transferred, pledged, hypothecated, given away or in any other manner disposed of, or encumbered, whether voluntarily or by operation of law (each such action a "**Transfer**") and right to Redemption (as defined in the Partnership Agreement) may not be exercised with respect to the Award Common Units until after the date on which the Earned LTIP Unit Equivalent is determined pursuant to Section 2 hereof; provided, however, that Award LTIP Units may be Transferred prior to such date in accordance with Section 6.5 of the Plan, so long as the Transferee agrees in writing with the Company and the Partnership to be bound by all the terms and conditions of this Agreement and that subsequent Transfers shall be prohibited except those in accordance with this Section 6.

(ii) The right to Redemption may be exercised with respect to Award Common Units, and Award Common Units may be Transferred to the Partnership or the Company in connection with the exercise thereof, in accordance with and to the extent otherwise permitted by the terms of the Partnership Agreement. Notwithstanding the foregoing, without the consent of the General Partner, the right to Redemption shall not be exercisable with respect to any Award Common Units until two (2) years after the Grant Effective Date; provided however, that the foregoing restriction shall not apply (i) if the right of Redemption is exercised in connection with a Change of Control or (ii) in connection with an LTIP Unit Forced Conversion in connection with a Capital Transaction as described in the Partnership Agreement.

(iii) Additionally, all Transfers of Award LTIP Units or Award Common Units must be in compliance with all applicable securities laws (including, without limitation, the Securities Act) and the applicable terms and conditions of the Partnership Agreement. In connection with any Transfer of Award LTIP Units or Award Common Units, the Partnership may require the Grantee to provide an opinion of counsel, satisfactory to the Partnership, that such Transfer is in

compliance with all federal and state securities laws (including, without limitation, the Securities Act).

(iv) Any attempted Transfer of Award LTIP Units or Award Common Units not in accordance with the terms and conditions of this Section 6 shall be null and void, and the Partnership shall not reflect on its records any change in record ownership of any Award LTIP Units or Award Common Units as a result of any such Transfer, shall otherwise refuse to recognize any such Transfer and shall not in any way give effect to any such Transfer of any Award LTIP Units or Award Common Units.

(v) This Agreement is personal to the Grantee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution.

7. **Legend.** The books and records of the Partnership or other documentation evidencing the Award LTIP Units shall bear an appropriate legend or notation, as determined by the Partnership in its sole discretion, to the effect that such LTIP Units are subject to restrictions as set forth herein, in the OPP Program, in the Plan and in the Partnership Agreement.

8. **Tax Matters; Section 83(b) Election.** The Grantee hereby agrees to make an election to include in gross income in the year of transfer the unvested Award LTIP Units hereunder pursuant to Section 83(b) of the Internal Revenue Code substantially in the form attached hereto as Exhibit B and to supply the necessary information in accordance with the regulations promulgated thereunder.

9. **Withholding and Taxes.** No later than the date as of which an amount first becomes includible in the gross income of the Grantee for income tax purposes or subject to the Federal Insurance Contributions Act withholding with respect to the Award LTIP Units granted hereunder, the Grantee will pay to the Company or, if appropriate, any of its Subsidiaries, or make arrangements satisfactory to the Committee regarding the payment of, any United States federal, state or local or foreign taxes of any kind required by law to be withheld with respect to such amount. The provisions of Section 3.6 of the OPP Program shall apply to this award if this Award results in the payment of cash to the Grantee or the issuance of shares of common stock (in which case the Company shall have the right to deduct from all payments hereunder any taxes required by law to be withheld with respect to such payments, either in cash or, with the approval of the Committee, in the form of shares of common stock, with such shares valued based on the Fair Market Value as of the date the withholding is in effect). The obligations of the Company under this Agreement will be conditional on such payment or arrangements, and the Company and its Subsidiaries also shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the Grantee.

10. **Amendment; Modification.** This Agreement may only be modified or amended in a writing signed by the parties hereto, provided that the Grantee acknowledges that the Plan and the OPP Program may be amended or discontinued in accordance with Section 7 of the Plan and Section 3.1 of the OPP Program, and that this Agreement may be amended or canceled by the Committee, on behalf of the Company and the Partnership, for the purpose of satisfying changes in law or for any other lawful purpose, so long as no such action shall adversely affect

the Grantee's rights under this Agreement without the Grantee's written consent. No promises, assurances, commitments, agreements, undertakings or representations, whether oral, written, electronic or otherwise, and whether express or implied, with respect to the subject matter hereof, have been made by the parties which are not set forth expressly in this Agreement. The failure of the Grantee or the Company or the Partnership to insist upon strict compliance with any provision of this Agreement, or to assert any right the Grantee or the Company or the Partnership, respectively, may have under this Agreement, shall not be deemed to be a waiver of such provision or right or any other provision or right of this Agreement.

11. **Complete Agreement.** This Agreement (together with those agreements and documents expressly referred to herein, for the purposes referred to herein) embody the complete and entire agreement and understanding between the parties with respect to the subject matter hereof, and supersede any and all prior promises, assurances, commitments, agreements, undertakings or representations, whether oral, written, electronic or otherwise, and whether express or implied, which may relate to the subject matter hereof in any way.

12. **Investment Representation; Registration.** The Grantee hereby makes the covenants, representations and warranties set forth on Exhibit C attached hereto as of the Grant Effective Date and as of the date of determination of the Earned LTIP Unit Equivalent. All of such covenants, warranties and representations shall survive the execution and delivery of this Agreement by the Grantee. The Grantee shall immediately notify the Partnership upon discovering that any of the representations or warranties set forth on Exhibit C was false when made or have, as a result of changes in circumstances, become false. The Partnership will have no obligation to register under the Securities Act any of the Award LTIP Units or any other securities issued pursuant to this Agreement or upon conversion or exchange of the Award LTIP Units into other limited partnership interests of the Partnership or shares of capital stock of the Company.

13. **No Obligation to Continue Employment or Other Service Relationship** Neither the Company nor any Related Company is obligated by or as a result of the Plan, the OPP Program or this Agreement to continue to have the Grantee provide services to it or to continue the Grantee in employment and neither the Plan, the OPP Program nor this Agreement shall interfere in any way with the right of the Company or any Subsidiary to terminate its service relationship with the Grantee or the employment of the Grantee at any time.

14. **No Limit on Other Compensation Arrangements.** Nothing contained in this Agreement shall preclude the Company from adopting or continuing in effect other or additional compensation plans, agreements or arrangements, and any such plans, agreements and arrangements may be either generally applicable or applicable only in specific cases or to specific persons.

15. **Status of Award LTIP Units under the Plan** The Award LTIP Units are both issued as equity securities of the Partnership and granted as a "Full Value Award" under the Plan. The Company will have the right at its option, as set forth in the Partnership Agreement, to issue Common Stock in exchange for partnership units into which Award LTIP Units may have been converted pursuant to the Partnership Agreement, subject to certain limitations set forth in the Partnership Agreement, and such Common Stock, if issued, will be issued under the Plan.

The Grantee acknowledges that the Grantee will have no right to approve or disapprove such election by the Company.

16. **Severability.** If any term or provision of this Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or under any applicable law, rule or regulation, then such provision shall be construed or deemed amended to conform to applicable law (or if such provision cannot be so construed or deemed amended without materially altering the purpose or intent of this Agreement and the grant of Award LTIP Units hereunder, such provision shall be stricken as to such jurisdiction and the remainder of this Agreement and the award hereunder shall remain in full force and effect).

17. **Section 409A.** If any compensation provided by this Agreement may result in the application of Section 409A of the Code, the Company shall, in consultation with the Grantee, modify the Agreement in the least restrictive manner necessary in order to, where applicable, (i) exclude such compensation from the definition of “deferred compensation” within the meaning of such Section 409A or (ii) comply with the provisions of Section 409A, other applicable provision(s) of the Code and/or any rules, regulations or other regulatory guidance issued under such statutory provisions and to make such modifications, in each case, without any diminution in the value of the benefits granted hereby to the Grantee.

18. **Law Governing.** **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE, WITHOUT REGARD TO ANY PRINCIPLES OF CONFLICTS OF LAW WHICH COULD CAUSE THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF MARYLAND.**

19. **Headings.** Section, paragraph and other headings and captions are provided solely as a convenience to facilitate reference. Such headings and captions shall not be deemed in any way material or relevant to the construction, meaning or interpretation of this Agreement or any term or provision hereof.

20. **Notices.** Notices hereunder shall be mailed or delivered to the Partnership at its principal place of business and shall be mailed or delivered to the Grantee at the address on file with the Partnership or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

21. **Counterparts.** This Agreement may be executed in two or more separate counterparts, each of which shall be an original, and all of which together shall constitute one and the same agreement.

22. **Successors and Assigns.** The rights and obligations created hereunder shall be binding on the Grantee and his heirs and legal representatives and on the successors and assigns of the Partnership.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have caused this Award to be executed on the [] day of [], 2014.

PROLOGIS, INC.

By: _____
Name:
Title:

PROLOGIS, L.P.

By: PROLOGIS, INC.,
Its General Partner

By: _____
Name:
Title:

Grantee

Name:

Address:

EXHIBIT A

FORM OF LIMITED PARTNER SIGNATURE PAGE

The Grantee, desiring to become one of the within named Limited Partners of Prologis, L.P., hereby becomes a party to the Thirteenth Amended and Restated Agreement of Limited Partnership of Prologis, L.P., as amended through the date hereof (the "**Partnership Agreement**").

The Grantee constitutes and appoints the General Partner, any Liquidator, and authorized officers and attorneys-in-fact of each, and each of those acting singly, in each case with full power of substitution, as the Grantee's true and lawful agent and attorney-in-fact, with full power and authority in the Grantee's name, place and stead to carry out all acts described in Section 2.4.A(i) and (ii) of the Partnership Agreement, such power of attorney to be irrevocable and a power coupled with an interest pursuant to Section 2.4.B of the Partnership Agreement.

The Grantee agrees that this signature page may be attached to any counterpart of the Partnership Agreement.

Signature Line for Grantee:

Name: _____

Date: _____

Address of Grantee:

EXHIBIT B

**ELECTION TO INCLUDE IN GROSS INCOME IN YEAR OF
TRANSFER OF PROPERTY PURSUANT TO SECTION 83(B)
OF THE INTERNAL REVENUE CODE**

The undersigned hereby makes an election pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended, Treasury Regulations Section 1.83-2 promulgated thereunder, and Rev. Proc. 2012-29, 2012-28 IRB, 06/26/2012, to include in gross income as compensation for services the excess (if any) of the fair market value of the property described below over the amount paid for such property.

1. The name, address and taxpayer identification number of the undersigned are:
Name: (the "Taxpayer")
Address:
Social Security No./Taxpayer Identification No.:
Taxable Year: Calendar Year 2014.
2. Description of property with respect to which the election is being made:
The election is being made with respect to [] LTIP Units in Prologis, L.P. (the "Partnership").
3. The date on which the LTIP Units were transferred is []. The taxable year to which this election relates is calendar year 201 .
4. Nature of restrictions to which the LTIP Units are subject:
 - (a) With limited exceptions, until the LTIP Units vest, the Taxpayer may not transfer in any manner any portion of the LTIP Units without the consent of the Partnership.
 - (b) The Taxpayer's LTIP Units vest in accordance with the vesting provisions described in the Schedule attached hereto. Unvested LTIP Units are forfeited in accordance with the vesting provisions described in the Schedule attached hereto.
5. The fair market value at time of transfer (determined without regard to any restrictions other than a nonlapse restriction as defined in Treasury Regulations Section 1.83-3(h)) of the of the LTIP Units with respect to which this election is being made was \$[] per LTIP Unit.
6. The amount paid by the Taxpayer for the LTIP Units was \$[] per LTIP Unit.

7. The amount to include in gross income is \$0.

The undersigned taxpayer will file this election with the Internal Revenue Service office with which taxpayer files his or her annual income tax return not later than 30 days after the date of transfer of the property. A copy of the election also will be furnished to the person for whom the services were performed. Additionally, the undersigned will include a copy of the election with his or her income tax return for the taxable year in which the property is transferred. The undersigned is the person performing the services in connection with which the property was transferred.

Dated: []

Name:

Schedule to Section 83(b) Election -Vesting Provisions of LTIP Units

The LTIP Units are subject to performance-based vesting. Generally, in the event that the Company's annualized total return to shareholders during a three-year performance period exceeds the annualized total shareholder return of the MSCI US REIT Index (RMS) by more than 100 basis points during the performance period, then a performance pool will be formed under the program pursuant to which the LTIP Units were issued equal to three percent (3%) of the Company's excess return to shareholders, provided that in no event shall the performance pool exceed an amount equal to the greater of (i) \$75,000,000 or (ii) one-half percent (0.5%) of the Company's common equity market capitalization as of the beginning of the performance period. Special provisions will apply, and the LTIP Units may be forfeited in the event that the holder's employment is terminated or a change of control occurs prior to the end of the performance period.

EXHIBIT C

GRANTEE'S COVENANTS, REPRESENTATIONS AND WARRANTIES

The Grantee hereby represents, warrants and covenants as follows:

- (a) The Grantee has received and had an opportunity to review the following documents (the "**Background Documents**"):
- (i) The latest Annual Report to Stockholders that has been provided to stockholders;
 - (ii) The Company's Proxy Statement for its most recent Annual Meeting of Stockholders;
 - (iii) The Company's Report on Form 10-K for the fiscal year most recently ended;
 - (iv) The Company's Form 10-Q for the most recently ended quarter if one has been filed by the Company with the Securities and Exchange Commission since the filing of the Form 10-K described in clause (iv) above;
 - (v) Each of the Company's Current Report(s) on Form 8-K, if any, filed since the later of the end of the fiscal year most recently ended for which a Form 10-K has been filed by the Company;
 - (vi) The Thirteenth Amended and Restated Agreement of Limited Partnership of Prologis, L.P., as then amended;
 - (vii) The Company's 2012 Long-Term Incentive Plan;
 - (viii) The Company's Outperformance Plan; and
 - (ix) The Company's Articles of Incorporation, as then amended.

The Grantee also acknowledges that any delivery of the Background Documents and other information relating to the Company and the Partnership prior to the determination by the Partnership of the suitability of the Grantee as a holder of Award LTIP Units shall not constitute an offer of Award LTIP Units until such determination of suitability shall be made.

- (b) The Grantee hereby represents and warrants that
- (i) The Grantee either (A) is an "accredited investor" as defined in Rule 501(a) under the Securities Act, or (B) by reason of the business and financial experience of the Grantee, together with the business and financial experience of those

persons, if any, retained by the Grantee to represent or advise him or her with respect to the grant to him or her of LTIP Units, the potential conversion of LTIP Units into common units of the Partnership (“**Common Units**”) and the potential redemption of such Common Units for shares of Common Stock (“**Shares**”), has such knowledge, sophistication and experience in financial and business matters and in making investment decisions of this type that the Grantee (I) is capable of evaluating the merits and risks of an investment in the Partnership and potential investment in the Company and of making an informed investment decision, (II) is capable of protecting his or her own interest or has engaged representatives or advisors to assist him or her in protecting his or her interests, and (III) is capable of bearing the economic risk of such investment.

(ii) The Grantee understands that (A) the Grantee is responsible for consulting his or her own tax advisors with respect to the application of the U.S. federal income tax laws, and the tax laws of any state, local or other taxing jurisdiction to which the Grantee is or by reason of the award of LTIP Units may become subject, to his or her particular situation; (B) the Grantee has not received or relied upon business or tax advice from the Company, the Partnership or any of their respective employees, agents, consultants or advisors, in their capacity as such; (C) the Grantee provides or will provide services to the Partnership on a regular basis and in such capacity has access to such information, and has such experience of and involvement in the business and operations of the Partnership, as the Grantee believes to be necessary and appropriate to make an informed decision to accept this Award of LTIP Units; and (D) an investment in the Partnership and/or the Company involves substantial risks. The Grantee has been given the opportunity to make a thorough investigation of matters relevant to the LTIP Units and has been furnished with, and has reviewed and understands, materials relating to the Partnership and the Company and their respective activities (including, but not limited to, the Background Documents). The Grantee has been afforded the opportunity to obtain any additional information (including any exhibits to the Background Documents) deemed necessary by the Grantee to verify the accuracy of information conveyed to the Grantee. The Grantee confirms that all documents, records, and books pertaining to his or her receipt of LTIP Units which were requested by the Grantee have been made available or delivered to the Grantee. The Grantee has had an opportunity to ask questions of and receive answers from the Partnership and the Company, or from a person or persons acting on their behalf, concerning the terms and conditions of the LTIP Units. **The Grantee has relied upon, and is making its decision solely upon, the Background Documents and other written information provided to the Grantee by the Partnership or the Company.** The Grantee did not receive any tax, legal or financial advice from the Partnership or the Company and, to the extent it deemed necessary, has consulted with its own advisors in connection with its evaluation of the Background Documents and this Agreement and the Grantee’s receipt of LTIP Units.

(iii) The LTIP Units to be issued, the Common Units issuable upon conversion of the LTIP Units and any Shares issued in connection with the redemption of any such Common Units will be acquired for the account of the Grantee for investment only and not with a current view to, or with any intention of, a distribution or resale thereof, in whole or in part, or the grant of any participation therein, without prejudice, however, to the Grantee’s right (subject to the terms of the LTIP Units, the Plan, the OPP

Program and this Agreement) at all times to sell or otherwise dispose of all or any part of his or her LTIP Units, Common Units or Shares in compliance with the Securities Act, and applicable state securities laws, and subject, nevertheless, to the disposition of his or her assets being at all times within his or her control.

(iv) The Grantee acknowledges that (A) neither the LTIP Units to be issued, nor the Common Units issuable upon conversion of the LTIP Units, have been registered under the Securities Act or state securities laws by reason of a specific exemption or exemptions from registration under the Securities Act and applicable state securities laws and, if such LTIP Units or Common Units are represented by certificates, such certificates will bear a legend to such effect, (B) the reliance by the Partnership and the Company on such exemptions is predicated in part on the accuracy and completeness of the representations and warranties of the Grantee contained herein, (C) such LTIP Units, or Common Units, therefore, cannot be resold unless registered under the Securities Act and applicable state securities laws, or unless an exemption from registration is available, (D) there is no public market for such LTIP Units and Common Units and (E) neither the Partnership nor the Company has any obligation or intention to register such LTIP Units or the Common Units issuable upon conversion of the LTIP Units under the Securities Act or any state securities laws or to take any action that would make available any exemption from the registration requirements of such laws, except, that, upon the redemption of the Common Units for Shares, the Company currently intends to issue such Shares under the Plan and pursuant to a Registration Statement on Form S-8 under the Securities Act, to the extent that (I) the Grantee is eligible to receive such Shares under the Plan at the time of such issuance and (II) the Company has filed an effective Form S-8 Registration Statement with the Securities and Exchange Commission registering the issuance of such Shares. The Grantee hereby acknowledges that because of the restrictions on transfer or assignment of such LTIP Units acquired hereby and the Common Units issuable upon conversion of the LTIP Units which are set forth in the Partnership Agreement and this Agreement, the Grantee may have to bear the economic risk of his or her ownership of the LTIP Units acquired hereby and the Common Units issuable upon conversion of the LTIP Units for an indefinite period of time.

(v) The Grantee has determined that the LTIP Units are a suitable investment for the Grantee.

(vi) No representations or warranties have been made to the Grantee by the Partnership or the Company, or any officer, director, shareholder, agent, or affiliate of any of them, and the Grantee has received no information relating to an investment in the Partnership or the LTIP Units except the information specified in this Paragraph (b).

(c) So long as the Grantee holds any LTIP Units, the Grantee shall disclose to the Partnership in writing such information as may be reasonably requested with respect to ownership of LTIP Units as the Partnership may deem reasonably necessary to ascertain and to establish compliance with provisions of the Code, applicable to the Partnership or to comply with requirements of any other appropriate taxing authority.

(d) The Grantee hereby agrees to make an election under Section 83(b) of the Code with respect to the LTIP Units awarded hereunder, and has delivered with this Agreement a completed, executed copy of the election form attached to this Agreement as Exhibit B. The Grantee agrees to file the election (or to permit the Partnership to file such election on the Grantee's behalf) within thirty (30) days after the Award of the LTIP Units hereunder with the IRS Service Center at which such Grantee files his or her personal income tax returns, and to file a copy of such election with the Grantee's U.S. federal income tax return for the taxable year in which the unvested LTIP Units are awarded to the Grantee.

(e) The address set forth on the signature page of this Agreement is the address of the Grantee's principal residence, and the Grantee has no present intention of becoming a resident of any country, state or jurisdiction other than the country and state in which such residence is sited.

(f) The representations of the Grantee as set forth above are true and complete to the best of the information and belief of the Grantee, and the Partnership shall be notified promptly of any changes in the foregoing representations.