

Section 1: 8-K (CURRENT REPORT OF MATERIAL EVENTS OR CORPORATE CHANGES)

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):
November 20, 2006

VORNADO REALTY TRUST

(Exact Name of Registrant as Specified in Charter)

Maryland
(State or Other Jurisdiction
of Incorporation)

No. 001-11954
(Commission File Number)

No. 22-1657560
(IRS Employer
Identification No.)

VORNADO REALTY L.P.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other
Jurisdiction of
Incorporation)

No. 000-22635
(Commission
File Number)

No. 13-3925979
(IRS Employer
Identification No.)

888 Seventh Avenue
New York, New York
(Address of Principal Executive offices)

10019
(Zip Code)

Registrant's telephone number, including area code: **(212) 894-7000**

Former name or former address, if changed since last report: **N/A**

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 Instructions A.2.):

- 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.

On November 20, 2006 Vornado Realty Trust (the “Company”) and Vornado Realty L.P., as Guarantor (the “Guarantor”), entered into a Senior Indenture (the “Indenture”) with The Bank of New York, as Trustee (the “Trustee”), in connection with the public offering and sale by the Company of \$1,000,000,000 aggregate principal amount of the Company’s 3.625% Convertible Senior Debentures due 2026 (the “Debentures”). The Debentures are an unsecured and unsubordinated obligation of the Company and rank equally with all of the unsecured and unsubordinated obligations of the Company. The Debentures are unconditionally guaranteed by the Guarantor with respect to the punctual payment of the principal, premium and any interest on the Debentures in the event the Company fails to make such payments. The guarantee is an unsecured and unsubordinated obligation of the Guarantor and ranks equally with all of the unsecured and unsubordinated obligations of the Guarantor. The Debentures are convertible into common shares of the Company under the circumstances described in the prospectus supplement filed by the Company with the Securities and Exchange Commission on November 17, 2006.

A copy of the Indenture is filed as Exhibit 4.1 to this Form 8-K and is herein incorporated by reference. A copy of the Debenture is filed as Exhibit 4.2 to this Form 8-K and is herein incorporated by reference. A copy of the Guarantee is filed as Exhibit 4.3 to this Form 8-K and is herein incorporated by reference. A copy of an excerpt from the Company’s officers’ certificate forming a part of the Indenture and setting forth additional terms of the Debentures is filed as Exhibit 4.4 to this Form 8-K and is incorporated herein by reference.

Item 2.03. Creation of a Direct Financial Obligation or an obligation under an Off-Balance Sheet Arrangement of a Registrant (Vornado Realty L.P. only).

On November 20, 2006, the Company transferred the net proceeds from the sale of the Debentures to the Guarantor in return for a debenture (the “Private Debenture”) issued by the Guarantor to the Company in a transaction exempt from registration under the Securities Act of 1933, as amended, pursuant to Section 4(2) thereof. The aggregate principal amount of the Private Debenture is \$1,000,000,000, the Private Debenture bears interest at 3.625% per annum and it has a stated maturity date of November 15, 2026. In certain circumstances the Company will be entitled to a number of Class A Units of limited partnership interest of the Guarantor, or the cash value of such Units, upon tendering the Private Debenture to the Guarantor. The Guarantor may in certain circumstances deliver to the Company its Class A Units of limited partnership interest in satisfaction of its obligation under the Private Debenture.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits.

- 4.1 Indenture, dated as of November 20, 2006 among Vornado Realty Trust, as Issuer, Vornado Realty L.P., as Guarantor and The Bank of New York, as Trustee.
- 4.2 3.625% Convertible Senior Debentures of Vornado Realty Trust
- 4.3 Guarantee of Vornado Realty L.P.
- 4.4 Excerpt from Officers’ Certificate

SIGNATURE

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

VORNADO REALTY TRUST
(Registrant)

By:

/s/ Joseph Macnow

Name: Joseph Macnow
Title: Executive Vice President
- Finance and
Administration and
Chief Financial Officer

Date: November 27, 2006

SIGNATURE

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

VORNADO REALTY L.P.
(Registrant)

By: VORNADO REALTY TRUST,

Sole General Partner

By:

/s/ Joseph Macnow

Name: Joseph Macnow
Title: Executive Vice President
- Finance and Administration and
Chief Financial Officer

Date: November 27, 2006

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Section 2: EX-4.1 (EX-4)

Exhibit 4.1

Vornado Realty Trust
Issuer

Vornado Realty L.P.
Guarantor

To

The Bank of New York
Trustee

INDENTURE

Dated as of November 20, 2006

SENIOR DEBT SECURITIES

**Certain Sections of this Indenture relating to Sections 310 through 318,
inclusive, of the Trust Indenture Act of 1939:**

<u>Trust Indenture Act Section</u>	<u>Indenture Section</u>
Section 310(a)(1)	609
(a)(2)	609
(a)(3)	Not Applicable
(a)(4)	Not Applicable
(b)	608
Section 311(a)	610
(b)	613
Section 312(a)	613
(b)	701
(c)	702
Section 313(a)	702
(b)	703
(c)	703
(d)	703
Section 314(a)	703
(a)(4)	704
(b)	101
(c)(1)	1004
(c)(2)	Not Applicable
(c)(3)	102
(d)	102
(e)	Not Applicable
Section 315(a)	Not Applicable
(b)	102
(c)	601
(d)	602
(e)	601
Section 316(a)	601
(a)(1)(A)	514
(a)(1)(B)	101
(a)(2)	502
(b)	512
(c)	513
Section 317(a)(1)	Not Applicable
(a)(2)	508
(b)	104
Section 318(a)	503
	504
	1003
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NOTE: This reconciliation and tie shall not, for any purpose, be deemed to be a part of the Indenture.

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INDENTURE, dated as of November 20, 2006, among Vornado Realty Trust, a Maryland real estate investment trust (herein called the “Issuer”), having its principal office at 888 Seventh Avenue, New York, New York 10019, Vornado Realty L.P., a Delaware limited partnership duly organized and existing under the laws of the State of Delaware (herein called the “Guarantor”), and managed by the Issuer as its general partner, having its principal office at 888 Seventh Avenue, New York, New York 10019, and The Bank of New York, a New York banking corporation, as Trustee (herein called the “Trustee”).

RECITALS OF THE ISSUER AND THE GUARANTOR

The Issuer has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its unsecured debentures, notes or other evidences of indebtedness (herein called the “Securities”) to be issued in one or more series as in this Indenture provided.

The Guarantor, through the Issuer, has duly authorized the execution and delivery of this Indenture to provide for the guarantee time to time of the Issuer’s Securities (herein called the “Guarantee”).

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

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

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

ARTICLE ONE

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

SECTION 101. *Definitions.*

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

- (1) the terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular;
 - (2) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, have the meanings assigned to them therein;
 - (3) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles, and, except as otherwise herein expressly provided, the term “generally accepted accounting principles” with respect to any computation required or permitted hereunder shall mean
-

such accounting principles as are generally accepted in the United States of America at the date of such computation;

(4) unless the context otherwise requires, any reference to an “Article” or a “Section” refers to an Article or a Section, as the case may be, of this Indenture; and

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

“Act”, when used with respect to any Holder, has the meaning specified in Section 104.

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

“Applicable Procedures” of a Depositary means, with respect to any matter at any time, the policies and procedures of such Depositary, if any, that are applicable to such matter at such time.

“Authenticating Agent” means any Person authorized by the Trustee pursuant to Section 614 to act on behalf of the Trustee to authenticate Securities of one or more series.

“Board of Trustees” means either the board of trustees of Vornado Realty Trust or any duly authorized committee of that board.

“Board Resolution” means a copy of a resolution certified by the Secretary or an Assistant Secretary of the Issuer to have been duly adopted by the Board of Trustees and to be in full force and effect on the date of such certification, and delivered to the Trustee.

“Business Day”, when used with respect to any Place of Payment, means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in that Place of Payment are authorized or obligated by law or executive order to close.

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

“Common Shares” means the common shares of beneficial interest of Vornado Realty Trust.

“Corporate Trust Office” means the principal office of the Trustee in The City of New York at which at any particular time its corporate trust business shall be administered, which office at the date hereof is located at 101 Barclay Street, New York, New York 10286, Attention: Corporate Trust Administration.

“corporation” means a corporation, association, company, limited liability company, joint-stock company or business trust.

“Covenant Defeasance” has the meaning specified in Section 1303.

“Defaulted Interest” has the meaning specified in Section 307.

“Defeasance” has the meaning specified in Section 1302.

“Depository” means, with respect to Securities of any series issuable in whole or in part in the form of one or more Global Securities, any Person that is designated to act as Depository for such Securities as contemplated by Section 301.

“Event of Default” has the meaning specified in Section 501.

“Exchange Act” means the Securities Exchange Act of 1934 and any statute successor thereto, in each case as amended from time to time.

“Expiration Date” has the meaning specified in Section 104.

“Guarantee” means the unconditional guarantee of the payment of the principal of, or any premium or interest on, the Guaranteed Securities by the Guarantor, as more fully set forth in Article Fourteen.

“Guaranteed Securities” means a series of Securities made subject to a Guarantee (as set forth in Article Fourteen) pursuant to Section 301.

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

“Guarantor’s Board Resolution” means a copy of a resolution certified by the Secretary or an Assistant Secretary of Vornado Realty Trust to have been duly adopted by the Board of Trustees as general partner of the Guarantor, and to be in full force and effect on the date of such certification, and delivered to the Trustee.

“Guarantor’s Officers’ Certificate” means a certificate any two Officers or by any Officer and an Assistant Treasurer or an Assistant Secretary of Vornado Realty Trust or any Person designated by an Officer in writing as authorized to execute and deliver such certificate, and delivered to the Trustee. One of the Officers signing an Officers’ Certificate given pursuant to Section 1004 shall be the principal executive, financial or accounting officer of Vornado Realty Trust.

“Guarantor Request” or “Guarantor Order” means a written request or order signed in the name of the Guarantor by the Chairman of the Board, the Vice Chairman of the Board, the President or a Vice President, and by the Treasurer, an Assistant Treasurer, the Controller, the Secretary or an Assistant Secretary of Vornado Realty Trust, as general partner of the Guarantor, and delivered to the Trustee.

“Global Security” means a Security that evidences all or part of the Securities of any series and bears the legend set forth in Section 204 (or such legend as may be specified as contemplated by Section 301 for such Securities).

“Holder” means a Person in whose name a Security is registered in the Security Register.

“Indenture” means this instrument as originally executed and as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof, including, for all purposes of this instrument and any such supplemental indenture, the provisions of the Trust Indenture Act that are deemed to be a part of and govern this instrument and any such supplemental indenture, respectively. The term “Indenture” shall also include the terms of particular series of Securities established as contemplated by Section 301.

“interest”, when used with respect to an Original Issue Discount Security which by its terms bears interest only after Maturity, means interest payable after Maturity.

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

“Investment Company Act” means the Investment Company Act of 1940 and any statute successor thereto, in each case as amended from time to time.

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

“Issuer Request” or “Issuer Order” means a written request or order signed in the name of the Issuer by the Chairman of the Board, the Vice Chairman of the Board, the President or a Vice President, and by the Treasurer, an Assistant Treasurer, the Controller, the Secretary or an Assistant Secretary of the Issuer and delivered to the Trustee.

“Maturity”, when used with respect to any Security, means the date on which the principal of such Security or an installment of principal becomes due and payable as therein or herein provided, whether at the Stated Maturity or by declaration of acceleration, call for redemption or otherwise.

“Notice of Default” means a written notice of the kind specified in Section 501(4) or 501(5).

“Officer” means the Chairman of the Board, a Vice Chairman of the Board, the President or any Vice President, the Treasurer or the Secretary, of Vornado Realty Trust.

“Officers’ Certificate” means a certificate signed by any two Officers or by any Officer and an Assistant Treasurer or an Assistant Secretary of Vornado Realty Trust or any Person designated by an Officer in writing as authorized to execute and deliver such certificate, and delivered to the Trustee. One of the Officers signing an Officers’ Certificate given pursuant to Section 1004 shall be the principal executive, financial or accounting officer of Vornado Realty Trust.

“Opinion of Counsel” means a written opinion of counsel, who may be counsel for the Issuer or the Guarantor, as the case may be.

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

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

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

(2) Securities for whose payment or redemption money in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Issuer or the Guarantor) in trust or set aside and segregated in trust by the Issuer or the Guarantor (if the Issuer or the Guarantor shall act as its own Paying Agent) for the Holders of such Securities; provided that, if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made;

(3) Securities as to which Defeasance has been effected pursuant to Section 1302; and

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

provided, however, that in determining whether the Holders of the requisite principal amount of the Outstanding Securities have given, made or taken any request, demand, authorization, direction, notice, consent, waiver or other action hereunder as of any date, (A) the principal amount of an Original Issue Discount Security which shall be deemed to be Outstanding shall be the amount of the principal thereof which would be due and payable as of such date upon acceleration of the Maturity thereof to such date pursuant to Section 502, (B) if, as of such date, the principal amount payable at the Stated Maturity of a Security is not determinable, the principal amount of such Security which shall be deemed to be Outstanding shall be the amount as specified or determined as contemplated by Section 301, (C) the principal amount of a Security denominated in one or more foreign currencies or currency units which shall be deemed to be Outstanding shall be the U.S. dollar equivalent, determined as of such date in the manner provided as contemplated by Section 301, of the principal amount of such Security (or, in the case of a Security described in Clause (A) or (B) above, of the amount determined as provided in such Clause), and (D) Securities owned by the Issuer, the Guarantor or any other obligor upon the Securities or any Affiliate of the Issuer, the Guarantor or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent, waiver or other action, only Securities which a Responsible Officer of the Trustee knows to be so owned shall be so disregarded. Securities so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee

the pledgee's right so to act with respect to such Securities and that the pledgee is not the Issuer, the Guarantor or any other obligor upon the Securities or any Affiliate of the Issuer, the Guarantor or of such other obligor.

"Paying Agent" means any Person authorized by the Issuer to pay the principal of or any premium or interest on any Securities on behalf of the Issuer.

"Person" means any individual, corporation, partnership, joint venture, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Place of Payment", when used with respect to the Securities of any series, means the place or places where the principal of and any premium and interest on the Securities of that series are payable as specified as contemplated by Section 301.

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

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

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

"Regular Record Date" for the interest payable on any Interest Payment Date on the Securities of any series means the date specified for that purpose as contemplated by Section 301.

"Responsible Officer", when used with respect to the Trustee, means any vice president, any assistant treasurer, any trust officer or assistant trust officer or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Securities" has the meaning stated in the first recital of this Indenture and more particularly means any Securities authenticated and delivered under this Indenture.

"Securities Act" means the Securities Act of 1933 and any statute successor thereto, in each case as amended from time to time.

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

"Special Record Date" for the payment of any Defaulted Interest means a date fixed by the Trustee pursuant to Section 307.

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

“Subsidiary” means, with respect to any Person, a corporation more than 50% of the outstanding voting stock of which is owned, directly or indirectly, by such Person or by one or more other Subsidiaries of such Person, or by such Person and one or more other Subsidiaries of such Person. For the purposes of this definition, “voting stock” means stock which ordinarily has voting power for the election of directors or trustees, whether at all times or only so long as no senior class of stock has such voting power by reason of any contingency.

“Trust Indenture Act” means the Trust Indenture Act of 1939 as in force at the date as of which this instrument was executed; *provided, however*, that in the event the Trust Indenture Act of 1939 is amended after such date, “Trust Indenture Act” means, to the extent required by any such amendment, the Trust Indenture Act of 1939 as so amended.

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

“U.S. Government Obligation” has the meaning specified in Section 1304.

“Vice President”, when used with respect to Vornado Realty Trust or the Trustee, means any vice president, whether or not designated by a number or a word or words added before or after the title “vice president”.

“Vornado Realty Trust” means Vornado Realty Trust, a Maryland real estate investment trust, the Issuer under this Indenture and its successors, and the general partner of the Guarantor, and its successors or any successor general partner of the Guarantor that serves as the manager thereof.

SECTION 102. *Compliance Certificates and Opinions.*

Upon any application or request by the Issuer or the Guarantor to the Trustee to take any action under any provision of this Indenture, the Issuer or the Guarantor, as the case may be, shall furnish to the Trustee such certificates and opinions as may be required under the Trust Indenture Act. Each such certificate or opinion shall be given in the form of an Officers’ Certificate or Guarantor’s Officers’ Certificate, if to be given by an officer of Vornado Realty Trust on behalf of the Issuer or the Guarantor, as the case may be, or an Opinion of Counsel, if to be given by counsel, and shall comply with the requirements of the Trust Indenture Act and any other requirements set forth in this Indenture.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (except for certificates provided for in Section 1004) shall include,

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

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

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

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

SECTION 103. Form of Documents Delivered to Trustee.

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

Any certificate or opinion of an officer of Vornado Realty Trust on behalf of the Issuer or the Guarantor, as the case may be, may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or opinion of counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of Vornado Realty Trust stating that the information with respect to such factual matters is in the possession of Vornado Realty Trust, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

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

SECTION 104. Acts of Holders; Record Dates.

Any request, demand, authorization, direction, notice, consent, waiver or other action provided or permitted by this Indenture to be given, made or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Issuer and to the Guarantor. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Holders signing such instrument or

instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and (subject to Section 601) conclusive in favor of the Trustee and the Issuer and the Guarantor if made in the manner provided in this Section.

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

The ownership of Securities shall be proved by the Security Register.

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

The Issuer may, in the circumstances permitted by the Trust Indenture Act, set any day as a record date for the purpose of determining the Holders of Outstanding Securities of any series entitled to give, make or take any request, demand, authorization, direction, notice, consent, waiver or other action provided or permitted by this Indenture to be given, made or taken by Holders of Securities of such series, provided that the Issuer may not set a record date for, and the provisions of this paragraph shall not apply with respect to, the giving or making of any notice, declaration, request or direction referred to in the next paragraph. If any record date is set pursuant to this paragraph, the Holders of Outstanding Securities of the relevant series on such record date, and no other Holders, shall be entitled to take the relevant action, whether or not such Holders remain Holders after such record date; provided that no such action shall be effective hereunder unless taken on or prior to the applicable Expiration Date by Holders of the requisite principal amount of Outstanding Securities of such series on such record date. Nothing in this paragraph shall be construed to prevent the Issuer from setting a new record date for any action for which a record date has previously been set pursuant to this paragraph (whereupon the record date previously set shall automatically and with no action by any Person be cancelled and of no effect), and nothing in this paragraph shall be construed to render ineffective any action taken by Holders of the requisite principal amount of Outstanding Securities of the relevant series on the date such action is taken. Promptly after any record date is set pursuant to this paragraph, the Issuer, at its own expense, shall cause notice of such record date, the proposed action by Holders and the applicable Expiration Date to be given to the Trustee in writing and to each Holder of Securities of the relevant series in the manner set forth in Section 106.

The Trustee may set any day as a record date for the purpose of determining the Holders of Outstanding Securities of any series entitled to join in the giving or making of (i) any Notice of Default, (ii) any declaration of acceleration referred to in Section 502, (iii) any request to institute proceedings referred to in Section 507(2) or (iv) any direction referred to in Section 512, in each

case with respect to Securities of such series. If any record date is set pursuant to this paragraph, the Holders of Outstanding Securities of such series on such record date, and no other Holders, shall be entitled to join in such notice, declaration, request or direction, whether or not such Holders remain Holders after such record date; provided that no such action shall be effective hereunder unless taken on or prior to the applicable Expiration Date by Holders of the requisite principal amount of Outstanding Securities of such series on such record date. Nothing in this paragraph shall be construed to prevent the Trustee from setting a new record date for any action for which a record date has previously been set pursuant to this paragraph (whereupon the record date previously set shall automatically and with no action by any Person be cancelled and of no effect), and nothing in this paragraph shall be construed to render ineffective any action taken by Holders of the requisite principal amount of Outstanding Securities of the relevant series on the date such action is taken. Promptly after any record date is set pursuant to this paragraph, the Trustee, at the Issuer's expense, shall cause notice of such record date, the proposed action by Holders and the applicable Expiration Date to be given to the Issuer in writing and to each Holder of Securities of the relevant series in the manner set forth in Section 106.

With respect to any record date set pursuant to this Section, the party hereto which sets such record dates may designate any day as the "Expiration Date" and from time to time may change the Expiration Date to any earlier or later day; provided that no such change shall be effective unless notice of the proposed new Expiration Date is given to the other party hereto in writing, and to each Holder of Securities of the relevant series in the manner set forth in Section 106, on or prior to the existing Expiration Date. If an Expiration Date is not designated with respect to any record date set pursuant to this Section, the party hereto which set such record date shall be deemed to have initially designated the 180th day after such record date as the Expiration Date with respect thereto, subject to its right to change the Expiration Date as provided in this paragraph. Notwithstanding the foregoing, no Expiration Date shall be later than the 180th day after the applicable record date.

Without limiting the foregoing, a Holder entitled hereunder to take any action hereunder with regard to any particular Security may do so with regard to all or any part of the principal amount of such Security or by one or more duly appointed agents each of which may do so pursuant to such appointment with regard to all or any part of such principal amount.

SECTION 105. Notices, Etc., to Trustee, Issuer and the Guarantor.

Any request, demand, authorization, direction, notice, consent, waiver or Act of Holders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with,

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

(2) the Issuer or the Guarantor by the Trustee or by any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to the Issuer or the Guarantor, as the case may be, addressed to it at the address of its principal office specified in the first paragraph of this instrument, Attention: Joseph Macnow, Executive Vice President—

Finance and Administration, Chief Financial Officer, or at any other address previously furnished in writing to the Trustee by the Issuer or the Guarantor, as the case may be.

SECTION 106. Notice to Holders; Waiver.

Where this Indenture provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each Holder affected by such event, at his or her address as it appears in the Security Register, not later than the latest date (if any), and not earlier than the earliest date (if any), prescribed for the giving of such notice. In any case where notice to Holders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

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

Where this Indenture provides for notice of any event to a Holder of a Global Security, such notice shall be sufficiently given if given to the Depositary for such Security (or its designee), pursuant to its Applicable Procedures, not later than the latest date (if any), and not earlier than the earliest date (if any), prescribed for the giving of such notice.

SECTION 107. Conflict with Trust Indenture Act.

If any provision hereof limits, qualifies or conflicts with a provision of the Trust Indenture Act that is required under such Act to be a part of and govern this Indenture, the latter provision shall control. If any provision of this Indenture modifies or excludes any provision of the Trust Indenture Act that may be so modified or excluded, the latter provision shall be deemed to apply to this Indenture as so modified or to be excluded, as the case may be.

SECTION 108. Effect of Headings and Table of Contents.

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

SECTION 109. Successors and Assigns.

All covenants and agreements in this Indenture by the Issuer or the Guarantor, as the case may be, shall bind its successors and assigns, whether so expressed or not.

SECTION 110. *Separability Clause.*

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

SECTION 111. *Benefits of Indenture.*

Nothing in this Indenture or in the Securities, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder and the Holders, any benefit or any legal or equitable right, remedy or claim under this Indenture.

SECTION 112. *Governing Law.*

This Indenture and the Securities shall be governed by and construed in accordance with the law of the State of New York.

SECTION 113. *Legal Holidays.*

In any case where any Interest Payment Date, Redemption Date or Maturity of any Security shall not be a Business Day at any Place of Payment, then (notwithstanding any other provision of this Indenture or of the Securities (other than a provision of any Security which specifically states that such provision shall apply in lieu of this Section)) payment of interest or principal (and premium, if any) need not be made at such Place of Payment on such date, but may be made on the next succeeding Business Day at such Place of Payment with the same force and effect as if made on the Interest Payment Date or Redemption Date, or at the Maturity, provided that no interest shall accrue with respect to such payment for the period from and after such Interest Payment Date, Redemption Date or Maturity, as the case may be to the date of such payment.

SECTION 114. *Limited Liability; Immunity of Shareholders, Partners, Trustees, Officers and Agents of the Issuer and the Guarantor.*

Notwithstanding any other provision of this Indenture or of the Securities of any series or of the Guarantees to the contrary, no recourse shall be had, whether by levy or execution or otherwise, for the payment of any sums due under any Security, including, without limitation, the principal of, premium, if any, or interest payable under any Security, or for the payment or performance of any obligation, covenant or agreement under, or for any claim based on, this Indenture or any Security or otherwise in respect of this Indenture or any Security, against (i) the Issuer, the Issuer's assets or against any principal, shareholder, member, officer, director, trustee or employee of the Issuer or any successor, or (ii) the Guarantor, any partner of the Guarantor, whether limited or general, including Vornado Realty Trust, as general partner, or any successor of any such partner or any such partner's or successor's assets or against any principal, shareholder, member, officer, director, trustee or employee of any such partner or successor, under any rule of law, statute or constitution, or by the enforcement of any assessment or penalty or by any legal or equitable proceeding or otherwise, nor shall any of such parties be personally liable for any such amounts, obligations or claims, or liable for any deficiency judgment based thereon or with respect thereto, it being expressly understood that the sole remedies hereunder or under any other document with respect to the Securities against such parties with respect to such

amounts, obligations or claims shall be against the Issuer or, in the case of a Guarantee thereof, the Guarantor, as the case may be, and that all such liability of such parties is and is to be, by the acceptance hereof, expressly waived and released as a condition of, and as consideration for, the execution of this Indenture and by the acceptance of the Securities and, if applicable, the Guarantees, by the Holders and as part of the consideration for the issue of the Securities.

ARTICLE TWO
SECURITY FORMS

SECTION 201. *Forms Generally.*

The Securities of each series shall be in substantially the form set forth in this Article, or in such other form as shall be established by or pursuant to a Board Resolution or in one or more indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange or Depository therefor or as may, consistently herewith, be determined by the officers executing such Securities, as evidenced by their execution thereof. If the form of Securities of any series is established by action taken pursuant to a Board Resolution, a copy of an appropriate record of such action shall be certified by the Secretary or an Assistant Secretary of Vornado Realty Trust and delivered to the Trustee at or prior to the delivery of the Issuer Order contemplated by Section 303 for the authentication and delivery of such Securities.

The definitive Securities shall be printed, lithographed or engraved on steel engraved borders or may be produced in any other manner, all as determined by the officers executing such Securities, as evidenced by their execution of such Securities.

SECTION 202. *Form of Face of Security.*

[Insert any legend required by the Internal Revenue Code and the regulations thereunder.]

Vornado Realty Trust

No.

\$

CUSIP No.

VORNADO REALTY TRUST, a real estate investment trust duly organized and existing under the laws of the State of Maryland (herein called the "Company", which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to _____, or registered assigns, the principal sum of _____ Dollars on _____ [if this Security is to bear interest prior to Maturity, insert - , and to pay interest thereon from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually on _____ and _____ in each year, commencing _____ and at the Maturity thereof, at the rate of [_____ %] per annum, until the

principal hereof is paid or made available for payment, [if applicable, insert – provided that any principal and premium, and any such instalment of interest, which is overdue shall bear interest at the rate of [] % per annum (to the extent that the payment of such interest shall be legally enforceable), from the dates such amounts are due until they are paid or made available for payment, and such interest shall be payable on demand]. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the or (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest so payable, but not punctually paid or duly provided for, on any Interest Payment Date will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture.]

[If the Security is not to bear interest prior to Maturity, insert – The principal of this Security shall not bear interest except in the case of a default in payment of principal upon acceleration, upon redemption or at Stated Maturity and in such case the overdue principal and any overdue premium shall bear interest at the rate of % per annum (to the extent that the payment of such interest shall be legally enforceable), from the dates such amounts are due until they are paid or made available for payment.]

[If applicable, insert – This Security is a Guaranteed Security within the meaning of the Indenture.]

Payment of the principal of (and premium, if any) and [if applicable, insert – any such] interest on this Security will be made at the office or agency of the Company maintained for that purpose in New York, New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts, against surrender of this Security in the case of any payment due at the Maturity of the principal hereof (other than any payment of interest that first becomes payable on a day other than an Interest Payment Date); *provided, however*, that at the option of the Company payment of interest may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register; and *provided, further*, that if this Security is a Global Security, payment may be made pursuant to the Applicable Procedures of the Depositary as permitted in said Indenture.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or [if applicable, insert – the Guarantee of the Guarantor (as defined on the reverse hereof) or] be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed under seal.

VORNADO REALTY TRUST
as Issuer

By: _____

Attest:

SECTION 203. *Form of Reverse of Security.*

This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of _____, (herein called the "Indenture", which term shall have the meaning assigned to it in such instrument), among the Company, Vornado Realty L.P. as Guarantor (herein called the "Guarantor", which term includes any successor guarantor under the Indenture) in respect of any Guaranteed Securities, and The Bank of New York, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Guarantor, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof [*if applicable, insert* – [initially] limited in aggregate principal amount to \$ _____] [, provided that the Company may, without the consent of any Holder, at any time and from time to time increase the initial principal amount].

[*if applicable, insert* – The Securities of this series are subject to redemption upon not less than 30 days' nor more than 60 days' notice by mail, [*if applicable, insert* – (1) on _____ in any year commencing with the year _____ and ending with the year _____ through operation of the sinking fund for this series at a Redemption Price equal to 100% of the principal amount, and (2)] at any time [*if applicable, insert* – on or after _____, 20 _____], as a whole or in part, at the election of the Company, at the following Redemption Prices (expressed as percentages of the principal amount): If redeemed during the 12-month period beginning _____ of the years indicated,

Year

Redemption
Price

Year

Redemption
Price

and thereafter at a Redemption Price equal to . % of the principal amount, together in the case of any such redemption [(whether through operation of the sinking fund or otherwise)] with accrued interest to the Redemption Date, but interest installments whose Stated Maturity is on or prior to such Redemption Date will be payable to the Holders of such Securities, or one or more Predecessor Securities, of record at the close of business on the relevant Record Dates referred to on the face hereof, all as provided in the Indenture.]

[If applicable, insert – The sinking fund for this series provides for the redemption on in each year beginning with the year and ending with the year of [if applicable, insert – not less than \$. (“mandatory sinking fund”) and not more than] \$. aggregate principal amount of Securities of this series. Securities of this series acquired or redeemed by the Company otherwise than through [if applicable, insert – mandatory] sinking fund payments may be credited against subsequent [if applicable, insert – mandatory] sinking fund payments otherwise required to be made [if applicable, insert – , in the inverse order in which they become due].]

[If the Security is subject to redemption of any kind, insert – In the event of redemption of this Security in part only, a new Security or Securities of this series and of like tenor for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.]

[If applicable, insert – The Indenture contains provisions for defeasance at any time of the entire indebtedness of this Security or certain restrictive covenants and Events of Default with respect to this Security, in each case upon compliance with certain conditions set forth in the Indenture.]

[If the Security is not an Original Issue Discount Security, insert – If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.]

[If the Security is an Original Issue Discount Security, insert – If an Event of Default with respect to Securities of this series shall occur and be continuing, an amount of principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture. Such amount shall be equal to – insert formula for determining the amount. Upon payment (i) of the amount of principal so declared due and payable and (ii) of interest on any overdue principal, premium and interest (in each case to the extent that the payment of such interest shall be legally enforceable), all of the Company’s obligations in respect of the payment of the principal of and premium and interest, if any, on the Securities of this series shall terminate.]

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company, the Guarantor and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time

by the Company, the Guarantor and the Trustee with the consent of the Holders of a majority in principal amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions (i) permitting the Holders of not less than a majority in principal amount of the Securities of any series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company or the Guarantor, as the case may be, with certain provisions of the Indenture with respect to such series and (ii) permitting the Holders of a majority in principal amount of the Securities at the time Outstanding of any series to be affected under the Indenture (with each such series considered separately for this purpose), on behalf of the Holders of all Securities of such series, to waive certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

As provided in and subject to the provisions of the Indenture, the Holder of this Security shall not have the right to institute any proceeding with respect to the Indenture, or for the appointment of a receiver or trustee, or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default with respect to the Securities of this series, the Holders of not less than 25% in principal amount of the Securities of this series at the time Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee reasonable indemnity, and the Trustee shall not have received from the Holders of a majority in principal amount of Securities of this series at the time Outstanding a direction inconsistent with such request, and shall have failed to institute any such proceeding, for 60 days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted by the Holder of this Security for the enforcement of any payment of principal hereof or any premium or interest hereon on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any premium and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of and any premium and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons in denominations of \$1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

[If applicable, insert – This Security is [not] a Guaranteed Security within the meaning of, and [is not] subject to the provisions applicable to Vornado Realty L.P., as Guarantor [thereof] contained in, the Indenture. [Reference is made to Article Fourteen of the Indenture and to the Guarantee endorsed on this Security for a statement of the respective rights, duties and obligations thereunder of the Guarantor, the Trustee and the Holders.]]

[If applicable, insert – This Security is a Global Security and is subject to the provisions of the Indenture relating to Global Securities, including the limitations in Section 305 thereof on transfers and exchanges of Global Securities.]

[If applicable, insert – Interest on the principal balance of this Security shall be calculated on the basis of a [365- or 366-day year, as appropriate, for the actual number of days elapsed] [360-day year of twelve 30-day months]]

THIS SECURITY SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

SECTION 204. Form of Legend for Global Securities.

Unless otherwise specified as contemplated by Section 301 for the Securities evidenced thereby, every Global Security authenticated and delivered hereunder shall bear a legend in substantially the following form:

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE THEREOF. THIS SECURITY MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR A SECURITY REGISTERED, AND NO TRANSFER OF THIS SECURITY IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH DEPOSITARY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

SECTION 205. Form of Guarantee.

If the Securities of any series are entitled to the benefits of Article Fourteen of this Indenture, there shall be endorsed on such Security a guarantee in substantially the following form, or in such other form as shall be established by or pursuant to a Board Resolution or in or

more indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture:

FORM OF GUARANTEE

For value received, the undersigned hereby fully and unconditionally guarantees to the Holder of this Security the cash payments in United States dollars of principal of and interest on this Security in the amounts and at the time when due and interest on the overdue principal and interest, if any, on this Security, if lawful, and the payment of all other obligations of the Company under the Indenture or the Security, to the Holder of this Security and the Trustee, all in accordance with and subject to the terms and limitations of this Security, Article Fourteen of the Indenture and this Guarantee. This Guarantee will become effective in accordance with Article Fourteen of the Indenture and its terms shall be evidenced therein. The validity and enforceability of any Guarantee shall not be affected by the fact that it is not affixed to any particular Security. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Indenture, dated as of _____, by and among the Company, the undersigned and The Bank of New York, as Trustee, as amended or supplemented (the "Indenture").

The obligations of the undersigned to the Holders of this Security and to the Trustee pursuant to the Guarantee and the Indenture are expressly set forth in Article Fourteen of the Indenture and reference is hereby made to the Indenture for the precise terms of the Guarantee and all of the other provisions of the Indenture to which this Guarantee relates.

THIS GUARANTEE WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.

This Guarantee is subject to release upon the terms set forth in the Indenture.

IN WITNESS WHEREOF, the undersigned Guarantor has caused this Guarantee to be duly executed.

Dated: _____

VORNADO REALTY L.P.

By: VORNADO REALTY TRUST

By:

Name:

Title:

SECTION 206. *Form of Trustee's Certificate of Authentication.*

The Trustee's certificates of authentication shall be in substantially the following form:

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

Dated:

THE BANK OF NEW YORK,
As Trustee

By _____
Authorized Signatory

ARTICLE THREE

THE SECURITIES

SECTION 301. *Amount Unlimited; Issuable in Series.*

The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is unlimited.

The Securities may be issued in one or more series. There shall be established in or pursuant to a Board Resolution and, if applicable, a Guarantor's Board Resolution (with respect to Guaranteed Securities) and, subject to Section 303, set forth, or determined in the manner provided, in an Officers' Certificate and, if applicable, a Guarantor's Officers' Certificate (with respect to Guaranteed Securities), or established in one or more indentures supplemental hereto, prior to the issuance of Securities of any series,

- (1) the title of the Securities of the series (which shall distinguish the Securities of the series from Securities of any other series);
- (2) any limit upon the aggregate principal amount of the Securities of the series which may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Securities of the series pursuant to Section 304, 305, 306, 906 or 1107 and except for any Securities which, pursuant to Section 303, are deemed never to have been authenticated and delivered hereunder);
- (3) the Person to whom any interest on a Security of the series shall be payable, if other than the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest;
- (4) the date or dates on which the principal of any Securities of the series is payable;

- (5) the rate or rates at which any Securities of the series shall bear interest, if any, the date or dates from which any such interest shall accrue, the Interest Payment Dates on which any such interest shall be payable and the Regular Record Date for any such interest payable on any Interest Payment Date;
- (6) the place or places where the principal of and any premium and interest on any Securities of the series shall be payable and the manner in which any payment may be made;
- (7) the period or periods within which, the price or prices at which and the terms and conditions upon which any Securities of the series may be redeemed, in whole or in part, at the option of the Issuer and, if other than by a Board Resolution, the manner in which any election by the Issuer to redeem the Securities shall be evidenced;
- (8) the obligation, if any, of the Issuer to redeem or purchase any Securities of the series pursuant to any sinking fund or analogous provisions or at the option of the Holder thereof and the period or periods within which, the price or prices at which and the terms and conditions upon which any Securities of the series shall be redeemed or purchased, in whole or in part, pursuant to such obligation;
- (9) if other than denominations of \$1,000 and any integral multiple thereof, the denominations in which any Securities of the series shall be issuable;
- (10) if the amount of principal of or any premium or interest on any Securities of the series may be determined with reference to a financial or economic measure or pursuant to a formula, the manner in which such amounts shall be determined;
- (11) if other than the currency of the United States of America, the currency, currencies or currency units in which the principal of or any premium or interest on any Securities of the series shall be payable and the manner of determining the equivalent thereof in the currency of the United States of America for any purpose, including for the purposes of making payment in the currency of the United States of America and applying the definition of "Outstanding" in Section 101;
- (12) if the principal of or any premium or interest on any Securities of the series is to be payable, at the election of the Issuer or the Holder thereof, in one or more currencies or currency units other than that or those in which such Securities are stated to be payable, the currency, currencies or currency units in which the principal of or any premium or interest on such Securities as to which such election is made shall be payable, the periods within which and the terms and conditions upon which such election is to be made and the amount so payable (or the manner in which such amount shall be determined);
- (13) if other than the entire principal amount thereof, the portion of the principal amount of any Securities of the series which shall be payable upon declaration of acceleration of the Maturity thereof pursuant to Section 502;
- (14) if the principal amount payable at the Stated Maturity of any Securities of the series will not be determinable as of any one or more dates prior to the Stated

Maturity, the amount which shall be deemed to be the principal amount of such Securities as of any such date for any purpose thereunder or hereunder, including the principal amount thereof which shall be due and payable upon any Maturity other than the Stated Maturity or which shall be deemed to be Outstanding as of any date prior to the Stated Maturity (or, in any such case, the manner in which such amount deemed to be the principal amount shall be determined);

(15) if applicable, that the Securities of the series, shall be subject to either or both of Defeasance or Covenant Defeasance as provided in Article Thirteen; provided that no series of Securities that is convertible for Common Shares or other securities pursuant to Section 301(19) shall be subject to Defeasance pursuant to Section 1302.

(16) if applicable, that any Securities of the series shall be issuable in whole or in part in the form of one or more Global Securities and, in such case, the respective Depositaries for such Global Securities, the form of any legend or legends which shall be borne by any such Global Security in addition to or in lieu of that set forth in Section 204 and any addition to, elimination of or other changes in the circumstances set forth in Clause (2) of the last paragraph of Section 305 in which any such Global Security may be exchanged in whole or in part for Securities registered, and any transfer of such Global Security in whole or in part may be registered, in the name or names of Persons other than the Depositary for such Global Security or a nominee thereof;

(17) any addition to, elimination of or other change in the Events of Default which applies to any Securities of the series and any change in the right of the Trustee or the requisite Holders of such Securities to declare the principal amount thereof due and payable pursuant to Section 502;

(18) any addition to, elimination of or other change in the covenants set forth in Article Ten or elsewhere herein which applies to Securities of the series;

(19) the terms and conditions, if any, pursuant to which the Securities are convertible for Common Shares or other securities;

(20) if the Securities of the series are to be Guaranteed Securities; and

(21) any other terms of the series (which terms shall not be inconsistent with the provisions of this Indenture, except as permitted by Section 901(5)).

All Securities of any one series shall be substantially identical except as to denomination and except as may otherwise be provided in or pursuant to the Board Resolution referred to above and (subject to Section 303) set forth, or determined in the manner provided, in the Officers' Certificate referred to above or in any such indenture supplemental hereto. All Securities of any one series need not be issued at one time and, unless otherwise provided or contemplated by this Section 301 with respect to a series of Securities, additional Securities of a series may be issued at the option of the Issuer, without the consent of any Holder, at any time and from time to time.

If any of the terms of the series are established by action taken pursuant to a Board Resolution or, if applicable, a Guarantor's Board Resolution, a copy of an appropriate record of such action shall be certified by the Secretary or an Assistant Secretary of the Issuer on behalf of

the Issuer or Vornado Realty Trust, on behalf of the Guarantor, as the case may be, and delivered to the Trustee at or prior to the delivery of the Officers' Certificate or Guarantor's Officers' Certificate setting forth the terms of the series.

SECTION 302. Denominations.

The Securities of each series shall be issuable only in registered form without coupons and only in such denominations as shall be specified as contemplated by Section 301. In the absence of any such specified denomination with respect to the Securities of any series, the Securities of such series shall be issuable in denominations of \$1,000 and any integral multiple thereof.

SECTION 303. Execution, Authentication, Delivery and Dating.

The Securities shall be executed on behalf of the Issuer by the Chairman of the Board, the Vice Chairman of the Board, the President or one of the Vice Presidents, under the trust seal reproduced thereon attested by the Secretary, one of the Assistant Secretaries or other authorized Person of the Issuer, and if such Securities are Guaranteed Securities, on behalf of the Guarantor by Vornado Realty Trust, as general partner of the Guarantor, by the Chairman of the Board, the Vice Chairman of the Board, the President or one of the Vice Presidents, under the trust seal of Vornado Realty Trust reproduced thereon attested by the Secretary, one of the Assistant Secretaries or other authorized Person of the Issuer. The signature of any of these officers on the Securities may be manual or facsimile.

Securities bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Issuer or Vornado Realty Trust shall bind the Issuer or the Guarantor, as the case may be, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Securities or did not hold such offices at the date of such Securities.

At any time and from time to time after the execution and delivery of this Indenture, the Issuer may deliver Securities of any series executed by the Issuer and, if applicable, having endorsed thereon the Guarantees executed by the Guarantor, to the Trustee for authentication, together with an Issuer Order for the authentication and delivery of such Securities, and the Trustee in accordance with the Issuer Order shall authenticate and deliver such Securities. If the form or terms of the Securities of the series have been established by or pursuant to one or more Board Resolutions as permitted by Sections 201 and 301, in authenticating such Securities, and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive, and (subject to Section 601) shall be fully protected in relying upon, an Opinion of Counsel stating,

- (1) if the form of such Securities has been established by or pursuant to Board Resolution as permitted by Section 201, that such form has been established in conformity with the provisions of this Indenture;
- (2) if the terms of such Securities have been established by or pursuant to a Board Resolution and, if such Securities are Guaranteed Securities, and the terms thereof have been established by or pursuant to a Guarantor's Board Resolution, as permitted by

Section 301, that such terms have been established in conformity with the provisions of this Indenture;

(3) that such Securities, when authenticated and delivered by the Trustee and issued by the Issuer in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Issuer, enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles; and

(4) that such Guarantees, when the Securities upon which they shall have been endorsed shall have been authenticated and delivered by the Trustee and issued by the Issuer in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Guarantor enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

If such form or terms have been so established, the Trustee shall not be required to authenticate such Securities if the issue of such Securities pursuant to this Indenture will affect the Trustee's own rights, duties or immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee.

Notwithstanding the provisions of Section 301 and of the preceding paragraph, if all Securities of a series are not to be originally issued at one time, including where the size of an Outstanding series of Securities is increased as contemplated by Section 301, it shall not be necessary to deliver the Officers' Certificate or Guarantor's Officers' Certificate otherwise required pursuant to Section 301 or the Issuer Order and Opinion of Counsel otherwise required pursuant to such preceding paragraph at or prior to the authentication of each Security of such series if such documents are delivered at or prior to the authentication upon original issuance of the first Security of such series to be issued.

Each Security shall be dated the date of its authentication.

No Security or Guarantee endorsed thereon shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security a certificate of authentication substantially in the form provided for herein executed by the Trustee by manual signature, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder. Notwithstanding the foregoing, if any Security shall have been authenticated and delivered hereunder but never issued and sold by the Issuer, and the Issuer shall deliver such Security to the Trustee for cancellation as provided in Section 309, for all purposes of this Indenture such Security shall be deemed never to have been authenticated and delivered hereunder and shall never be entitled to the benefits of this Indenture.

SECTION 304. *Temporary Securities.*

Pending the preparation of definitive Securities of any series, the Issuer and the Guarantor, if such Securities are Guaranteed Securities, may execute, and upon Issuer Order the

Trustee shall authenticate and deliver, temporary Securities which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities in lieu of which they are issued, and, if applicable, having endorsed thereon the Guarantees duly executed by the Guarantor substantially of the tenor of the definitive Guarantees and with such appropriate insertions, omissions, substitutions and other variations as the officers executing such Securities may determine, as evidenced by their execution of such Securities and, if applicable, the Guarantees.

If temporary Securities of any series are issued, the Issuer will cause definitive Securities of that series to be prepared without unreasonable delay. After the preparation of definitive Securities of such series, the temporary Securities of such series shall be exchangeable for definitive Securities of such series upon surrender of the temporary Securities of such series at the office or agency of the Issuer in a Place of Payment for that series, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities of any series, the Issuer and the Guarantor, if such Securities are Guaranteed Securities, shall execute and the Trustee shall authenticate and deliver in exchange therefor one or more definitive Securities of the same series, of any authorized denominations and of like tenor and aggregate principal amount, and, if applicable, having endorsed thereon the Guarantees duly executed by the Guarantor substantially of the tenor of the definitive Guarantees. Until so exchanged, the temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of such series and tenor.

SECTION 305. Registration, Registration of Transfer and Exchange.

The Issuer shall cause to be kept at the Corporate Trust Office of the Trustee a register (the register maintained in such office and in any other office or agency of the Issuer in a Place of Payment being herein sometimes collectively referred to as the "Security Register") in which, subject to such reasonable regulations as it may prescribe, the Issuer shall provide for the registration of Securities and of transfers of Securities. The Trustee is hereby appointed "Security Registrar" for the purpose of registering Securities and transfers of Securities as herein provided.

Upon surrender for registration of transfer of any Security of a series at the office or agency of the Issuer in a Place of Payment for that series, the Issuer shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Securities of the same series, of any authorized denominations and of like tenor and aggregate principal amount.

At the option of the Holder, Securities of any series may be exchanged for other Securities of the same series, of any authorized denominations and of like tenor and aggregate principal amount, upon surrender of the Securities to be exchanged at such office or agency. Whenever any Securities are so surrendered for exchange, the Issuer and Guarantor, if such Securities are Guaranteed Securities, shall execute, and the Trustee shall authenticate and deliver, the Securities which the Holder making the exchange is entitled to receive.

All Securities issued upon any registration of transfer or exchange of Securities shall be the valid obligations of the Issuer and the Guarantor, if such Securities are Guaranteed Securities, respectively, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Securities surrendered upon such registration of transfer or exchange.

Every Security presented or surrendered for registration of transfer or for exchange shall (if so required by the Issuer or the Trustee) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Issuer and the Security Registrar duly executed, by the Holder thereof or his attorney duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange of Securities, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of Securities, other than exchanges pursuant to Section 304, 906 or 1107 not involving any transfer.

If the Securities of any series (or of any series and specified tenor) are to be redeemed in part, the Issuer shall not be required (A) to issue, register the transfer of or exchange any Securities of that series (or of that series and specified tenor, as the case may be) during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of any such Securities selected for redemption under Section 1103 and ending at the close of business on the day of such mailing, or (B) to register the transfer of or exchange any Security so selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part.

The provisions of Clauses (1), (2), (3) and (4) below shall apply only to Global Securities:

(1) Each Global Security authenticated under this Indenture shall be registered in the name of the Depositary designated for such Global Security or a nominee thereof and delivered to such Depositary or a nominee thereof or custodian therefor, and each such Global Security shall constitute a single Security for all purposes of this Indenture.

(2) Notwithstanding any other provision in this Indenture, and subject to such applicable provisions, if any, as may be specified as contemplated by Section 301, no Global Security may be exchanged in whole or in part for Securities registered, and no transfer of a Global Security in whole or in part may be registered, in the name of any Person other than the Depositary for such Global Security or a nominee thereof unless (A) such Depositary has notified the Issuer that it is unwilling or unable or no longer permitted under applicable law to continue as Depositary for such Global Security or (B) there shall have occurred and be continuing an Event of Default with respect to such Global Security or (C) the Issuer so directs the Trustee by Company Order or (D) there shall exist such circumstances, if any, in addition to or in lieu of the foregoing as have been specified for this purpose as contemplated by Section 301.

(3) Subject to Clause (2) above and to such applicable provisions, if any, as may be specified as contemplated by Section 301, any exchange of a Global Security for other Securities may be made in whole or in part, and all Securities issued in exchange for a Global Security or any portion thereof shall be registered in such names as the Depositary for such Global Security shall direct.

(4) Every Security authenticated and delivered upon registration of transfer of, or in exchange for or in lieu of, a Global Security or any portion thereof, whether pursuant to this Section, Section 304, 306, 906 or 1107 or otherwise, shall be

authenticated and delivered in the form of, and shall be, a Global Security, unless such Security is registered in the name of a Person other than the Depository for such Global Security or a nominee thereof.

SECTION 306. Mutilated, Destroyed, Lost and Stolen Securities.

If any mutilated Security is surrendered to the Trustee, the Issuer and the Guarantor, if such Securities are Guaranteed Securities, shall execute and the Trustee shall authenticate and deliver in exchange therefor a new Security of the same series and of like tenor and principal amount and, if applicable, a Guarantee endorsed thereon, and bearing a number not contemporaneously outstanding.

If there shall be delivered to the Issuer, if applicable, the Guarantor and the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security and (ii) such security or indemnity as may be required by them to save each of them and any agent of either of them harmless, then, in the absence of notice to the Issuer or the Trustee that such Security has been acquired by a bona fide purchaser, the Issuer and the Guarantor, if such Securities are Guaranteed Securities, shall execute and the Trustee shall authenticate and deliver, in lieu of any such destroyed, lost or stolen Security, a new Security of the same series and of like tenor and principal amount and, if applicable, having a Guarantee endorsed thereon, and bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Security has become or is about to become due and payable, the Issuer in its discretion may, instead of issuing a new Security, pay such Security.

Upon the issuance of any new Security under this Section, the Issuer may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Security of any series issued pursuant to this Section in lieu of any destroyed, lost or stolen Security shall constitute an original additional contractual obligation of the Issuer and the Guarantor, if such Securities are Guaranteed Securities, respectively, whether or not the destroyed, lost or stolen Security shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of that series duly issued hereunder.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities.

SECTION 307. Payment of Interest; Interest Rights Preserved.

Except as otherwise provided as contemplated by Section 301 with respect to any series of Securities, interest on any Security which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date

for such interest or, if no business is conducted by the Trustee at its Corporate Trust Office on such date, at 5:00 P.M., New York City time, on such date.

Any interest on any Security of any series which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the Holder on the relevant Regular Record Date by virtue of having been such Holder, and such Defaulted Interest may be paid by the Issuer, at its election in each case, as provided in Clause (1) or (2) below:

(1) The Issuer may elect to make payment of any Defaulted Interest to the Persons in whose names the Securities of such series (or their respective Predecessor Securities) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Issuer shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Security of such series and the date of the proposed payment, and at the same time the Issuer shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this Clause provided. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be given to each Holder of Securities of such series in the manner set forth in Section 106, not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been so mailed, such Defaulted Interest shall be paid to the Persons in whose names the Securities of such series (or their respective Predecessor Securities) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following Clause (2).

(2) The Issuer may make payment of any Defaulted Interest on the Securities of any series in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Issuer to the Trustee of the proposed payment pursuant to this Clause, such manner of payment shall be deemed practicable by the Trustee.

Except as may be provided in this Section 307 or as contemplated in Section 301 with respect to any Securities of a series, the Person to whom interest shall be payable on any Security that first becomes payable on a day that is not an Interest Payment Date shall be the Holder of such Security on the day such interest is paid.

Subject to the foregoing provisions of this Section, each Security delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Security shall

carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Security.

SECTION 308. *Persons Deemed Owners.*

Prior to due presentment of a Security for registration of transfer, the Issuer, the Guarantor, the Trustee and any agent of the Issuer, the Guarantor or the Trustee may treat the Person in whose name such Security is registered as the owner of such Security for the purpose of receiving payment of principal of and any premium and (subject to Section 307) any interest on such Security and for all other purposes whatsoever, whether or not such Security be overdue, and neither the Issuer, the Guarantor, the Trustee nor any agent of the Issuer, the Guarantor or the Trustee shall be affected by notice to the contrary.

SECTION 309. *Cancellation.*

All Securities surrendered for payment, redemption, registration of transfer or exchange or for credit against any sinking fund payment shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee and shall be promptly cancelled by it. The Issuer or the Guarantor may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Issuer or the Guarantor may have acquired in any manner whatsoever, and may deliver to the Trustee (or to any other Person for delivery to the Trustee) for cancellation any Securities previously authenticated hereunder which the Issuer or the Guarantor has not issued and sold, and all Securities so delivered shall be promptly cancelled by the Trustee. No Securities shall be authenticated in lieu of or in exchange for any Securities cancelled as provided in this Section, except as expressly permitted by this Indenture. All cancelled Securities held by the Trustee shall be disposed of as directed by an Issuer Order; *provided, however*, that the Trustee shall not be required to destroy such cancelled Securities.

SECTION 310. *Computation of Interest.*

Except as otherwise specified as contemplated by Section 301 for Securities of any series, interest on the Securities of each series shall be computed on the basis of a 360-day year of twelve 30-day months.

SECTION 311. *CUSIP Numbers.*

The Issuer in issuing the Securities may use "CUSIP" numbers (if then generally in use), and, if so, the Trustee shall use "CUSIP" numbers in notices of redemption as a convenience to Holders, provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any notice of redemption and that reliance may be placed only on the other identification numbers printed on the Securities. Any such redemption shall not be affected by any defect in or omission of such numbers.

ARTICLE FOUR

SATISFACTION AND DISCHARGE

SECTION 401. *Satisfaction and Discharge of Indenture.*

This Indenture shall upon Issuer Request cease to be of further effect (except as to any surviving rights of registration of transfer or exchange of any Security expressly provided for herein or in the terms of such Security), and the Trustee, at the expense of the Issuer, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when

(1) either

(A) all Securities theretofore authenticated and delivered (other than (i) Securities which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 306 and (ii) Securities for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Issuer or the Guarantor and thereafter repaid to the Issuer or discharged from such trust, as provided in Section 1003) have been delivered to the Trustee for cancellation; or

(B) all such Securities not theretofore delivered to the Trustee for cancellation

(i) have become due and payable, or

(ii) will become due and payable at their Stated Maturity within one year, or

(iii) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Issuer,

and the Issuer or the Guarantor, in the case of (i), (ii) or (iii) above, has deposited or caused to be deposited with the Trustee as trust funds in trust for the purpose money in an amount sufficient to pay and discharge the entire indebtedness on such Securities not theretofore delivered to the Trustee for cancellation, for principal and any premium and interest to the date of such deposit (in the case of Securities which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be;

(2) the Issuer has paid or caused to be paid all other sums payable hereunder by the Issuer; and

(3) the Issuer has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Issuer and the Guarantor, if applicable, to the Trustee under Section 607, the obligations of the

Trustee to any Authenticating Agent under Section 614 and, if money shall have been deposited with the Trustee pursuant to subclause (B) of Clause (1) of this Section, the obligations of the Trustee under Section 402 and the last paragraph of Section 1003 shall survive.

SECTION 402. *Application of Trust Money.*

Subject to the provisions of the last paragraph of Section 1003, all money deposited with the Trustee pursuant to Section 401 shall be held in trust and applied by it, in accordance with the provisions of the Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Issuer or the Guarantor acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal and any premium and interest for whose payment such money has been deposited with the Trustee.

ARTICLE FIVE

REMEDIES

SECTION 501. *Events of Default.*

“Event of Default”, wherever used herein with respect to Securities of any series, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

- (1) default in the payment of any interest upon any Security of that series when it becomes due and payable, and continuance of such default for a period of 30 days; or
- (2) default in the payment of the principal of or any premium, if any, on any Security of that series at its Maturity; or
- (3) default in the deposit of any sinking fund payment, when and as due by the terms of a Security of that series; or
- (4) default in the performance, or breach, of any covenant or warranty of the Issuer or the Guarantor (if any Guaranteed Securities are Outstanding) in this Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section specifically dealt with or which has expressly been included in this Indenture solely for the benefit of series of Securities other than that series), and continuance of such default or breach for a period of 90 days after there has been given, by registered or certified mail, to the Issuer and the Guarantor by the Trustee or to the Issuer, the Guarantor, and the Trustee by the Holders of at least 25% in principal amount of the Outstanding Securities of that series a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a “Notice of Default” hereunder; or
- (5) a default under any bond, debenture, note or other evidence of indebtedness for money borrowed by the Issuer (including a default with respect to

Securities of any series other than that series) having an aggregate principal amount outstanding of at least \$50,000,000, or under any mortgage, indenture or instrument (including this Indenture) under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by the Issuer having an aggregate principal amount outstanding of at least \$50,000,000, whether such indebtedness now exists or shall hereafter be created, which default (A) shall constitute a failure to pay any portion of the principal of such indebtedness when due and payable after the expiration of any applicable grace period with respect thereto or (B) shall have resulted in such indebtedness becoming or being declared due and payable prior to the date on which it would otherwise have become due and payable, without, in the case of Clause (A), such indebtedness having been discharged or without, in the case of Clause (B), such indebtedness having been discharged or such acceleration having been rescinded or annulled, in each such case within a period of 10 days after there shall have been given, by registered or certified mail, to the Issuer by the Trustee or to the Issuer and the Trustee by the Holders of at least 25% in principal amount of the Outstanding Securities of that series a written notice specifying such default and requiring the Issuer to cause such indebtedness to be discharged or cause such acceleration to be rescinded or annulled, as the case may be, and stating that such notice is a "Notice of Default" hereunder; *provided, however*, that, subject to the provisions of Sections 601 and 602, the Trustee shall not be deemed to have knowledge of such default unless either (A) a Responsible Officer of the Trustee shall have knowledge of such default or (B) the Trustee shall have received written notice thereof from the Issuer, from any Holder, from the holder of any such indebtedness or from the trustee under any such mortgage, indenture or other instrument; or

(6) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Issuer or the Guarantor (if any Guaranteed Securities are Outstanding) in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order adjudging the Issuer or the Guarantor (if any Guaranteed Securities are Outstanding) a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Issuer or the Guarantor (if any Guaranteed Securities are Outstanding) under any applicable Federal or State law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Issuer or the Guarantor (if any Guaranteed Securities are Outstanding) or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 60 consecutive days; or

(7) the commencement by the Issuer or the Guarantor (if any Guaranteed Securities are Outstanding) of a voluntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it to the entry of a decree or order for relief in respect of the Issuer or the Guarantor (if any Guaranteed Securities are Outstanding) in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable Federal or State law, or the consent by it to the filing of such petition or to

the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Issuer or the Guarantor (if any Guaranteed Securities are Outstanding) or of any substantial part of its property, or the making by it of an assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by the Issuer or the Guarantor (if any Guaranteed Securities are Outstanding) in furtherance of any such action; or

- (8) any other Event of Default provided with respect to Securities of that series.

SECTION 502. *Acceleration of Maturity; Rescission and Annulment.*

If an Event of Default (other than an Event of Default specified in Section 501(6) or 501(7)) with respect to Securities of any series at the time Outstanding occurs and is continuing, then in every such case the Trustee, upon receipt of a request from the Holders of not less than 25% in principal amount of the Outstanding Securities of that series, shall, or the Holders of not less than 25% in principal amount of the Outstanding Securities of that series may, declare the principal amount of all the Securities of that series (or, if any Securities of that series are Original Issue Discount Securities, such portion of the principal amount of such Securities as may be specified by the terms thereof) to be due and payable immediately, by a notice in writing to the Issuer and the Guarantor (if any Guaranteed Securities are Outstanding) (and to the Trustee if given by Holders), and upon any such declaration such principal amount (or specified amount) shall become immediately due and payable. If an Event of Default specified in Section 501(6) or 501(7) with respect to Securities of any series at the time Outstanding occurs, the principal amount of all the Securities of that series (or, if any Securities of that series are Original Issue Discount Securities, such portion of the principal amount of such Securities as may be specified by the terms thereof) shall automatically, and without any declaration or other action on the part of the Trustee or any Holder, become immediately due and payable.

At any time after such a declaration of acceleration with respect to Securities of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Holders of a majority in principal amount of the Outstanding Securities of that series, by written notice to the Issuer, the Guarantor and the Trustee, may rescind and annul such declaration and its consequences if

- (1) the Issuer or the Guarantor has paid or deposited with the Trustee a sum sufficient to pay
 - (A) all overdue interest on all Securities of that series,
 - (B) the principal of (and premium, if any, on) any Securities of that series which have become due otherwise than by such declaration of acceleration and any interest thereon at the rate or rates prescribed therefor in such Securities,
 - (C) to the extent that payment of such interest is lawful, interest upon overdue interest at the rate or rates prescribed therefor in such Securities, and

(D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and

(2) all Events of Default with respect to Securities of that series, other than the non-payment of the principal of Securities of that series which have become due solely by such declaration of acceleration, have been cured or waived as provided in Section 513.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

SECTION 503. Collection of Indebtedness and Suits for Enforcement by Trustee.

The Issuer covenants that if

(1) default is made in the payment of any interest on any Security when such interest becomes due and payable and such default continues for a period of 30 days, or

(2) default is made in the payment of the principal of (or premium, if any, on) any Security at the Maturity thereof,

the Issuer will, upon demand of the Trustee, pay to it, for the benefit of the Holders of such Securities, the whole amount then due and payable on such Securities for principal and any premium and interest and, to the extent that payment of such interest shall be legally enforceable, interest on any overdue principal and premium and on any overdue interest, at the rate or rates prescribed therefor in such Securities, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

If an Event of Default with respect to Securities of any series occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of Securities of such series by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

SECTION 504. Trustee May File Proofs of Claim.

In case of any judicial proceeding relative to the Issuer, the Guarantor (if any Guaranteed Securities are Outstanding) (or any other obligor upon the Securities), their property or their creditors, the Trustee shall be entitled and empowered, by intervention in such proceeding or otherwise, to take any and all actions authorized under the Trust Indenture Act in order to have claims of the Holders and the Trustee allowed in any such proceeding. In particular, the Trustee shall be authorized to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same; and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any

amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 607.

No provision of this Indenture shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Securities or the rights of any Holder thereof or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding; *provided, however*, that the Trustee may, on behalf of the Holders, vote for the election of a trustee in bankruptcy or similar official and be a member of a creditors' or other similar committee.

SECTION 505. Trustee May Enforce Claims Without Possession of Securities.

All rights of action and claims under this Indenture or the Securities may be prosecuted and enforced by the Trustee without the possession of any of the Securities or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Securities in respect of which such judgment has been recovered.

SECTION 506. Application of Money Collected.

Any money collected by the Trustee pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal or any premium or interest, upon presentation of the Securities and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of all amounts due the Trustee under Section 607; and

SECOND: To the payment of the amounts then due and unpaid for principal of and any premium and interest on the Securities in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such Securities for principal and any premium and interest, respectively.

SECTION 507. Limitation on Suits.

No Holder of any Security of any series shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless

- (1) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Securities of that series;
- (2) the Holders of not less than 25% in principal amount of the Outstanding Securities of that series shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holder or Holders have offered to the Trustee indemnity reasonably satisfactory to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request;

(4) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(5) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Securities of that series;

it being understood and intended that no one or more of such Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other of such Holders, or to obtain or to seek to obtain priority or preference over any other of such Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all of such Holders.

SECTION 508. Unconditional Right of Holders to Receive Principal, Premium and Interest.

Notwithstanding any other provision in this Indenture, the Holder of any Security shall have the right, which is absolute and unconditional, to receive payment of the principal of and any premium and (subject to Section 307) interest on such Security on the respective Stated Maturities expressed in such Security (or, in the case of redemption, on the Redemption Date) and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Holder.

SECTION 509. Restoration of Rights and Remedies.

If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Issuer, the Guarantor, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

SECTION 510. Rights and Remedies Cumulative.

Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities in the last paragraph of Section 306, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

SECTION 511. *Delay or Omission Not Waiver.*

No delay or omission of the Trustee or of any Holder of any Securities to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

SECTION 512. *Control by Holders.*

The Holders of a majority in principal amount of the Outstanding Securities of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, with respect to the Securities of such series, provided that

- (1) such direction shall not be in conflict with any rule of law or with this Indenture, and
- (2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

SECTION 513. *Waiver of Past Defaults.*

The Holders of not less than a majority in principal amount of the Outstanding Securities of any series may on behalf of the Holders of all the Securities of such series waive any past default hereunder with respect to such series and its consequences, except a default

- (1) in the payment of the principal of or any premium or interest on any Security of such series, or
- (2) in respect of a covenant or provision hereof which under Article Nine cannot be modified or amended without the consent of the Holder of each Outstanding Security of such series affected.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

SECTION 514. *Undertaking for Costs.*

In any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, a court may require any party litigant in such suit to file an undertaking to pay the costs of such suit, and may assess costs against any such party litigant, in the manner and to the extent provided in the Trust Indenture Act, *provided* that neither this Section nor the Trust Indenture Act shall be deemed to authorize any court to require such an undertaking or to make such an assessment in any suit instituted by the Trustee, the Issuer or the Guarantor.

SECTION 515. *Waiver of Usury, Stay or Extension Laws.*

Each of the Issuer and the Guarantor, in respect of Guaranteed Securities, covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any usury, stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Issuer and the Guarantor, in respect of Guaranteed Securities (to the extent that they may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE SIX

THE TRUSTEE

SECTION 601. *Certain Duties and Responsibilities.*

The duties and responsibilities of the Trustee shall be as provided by the Trust Indenture Act. Notwithstanding the foregoing, no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it. Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

SECTION 602. *Notice of Defaults.*

If a default occurs hereunder with respect to Securities of any series, the Trustee shall give the Holders of Securities of such series notice of such default as and to the extent provided by the Trust Indenture Act; *provided, however*, that in the case of any default of the character specified in Section 501(4) with respect to Securities of such series, no such notice to Holders shall be given until at least 30 days after the occurrence thereof. For the purpose of this Section, the term “default” means any event which is, or after notice or lapse of time or both would become, an Event of Default with respect to Securities of such series.

SECTION 603. *Certain Rights of Trustee.*

Subject to the provisions of Section 601:

- (1) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;
- (2) any request or direction of the Issuer or Guarantor mentioned herein shall be sufficiently evidenced by an Issuer Request or Issuer Order or Guarantor Request or

Guarantor Order, as the case may be, and any resolution of the Board of Trustees shall be sufficiently evidenced by a Board Resolution or Guarantor's Board Resolution, as applicable;

(3) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officers' Certificate or, if such matter pertains to the Guarantor, a Guarantor's Officers' Certificate;

(4) the Trustee may consult with counsel of its selection and the advice of such counsel (to be confirmed in writing) or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(5) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders pursuant to this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity reasonably satisfactory to the Trustee against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(6) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Issuer and the Guarantor (if any Guaranteed Securities are outstanding), personally or by agent or attorney;

(7) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder;

(8) the Trustee shall not be liable for any action taken, suffered, or omitted to be taken by it in good faith and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture;

(9) the Trustee shall not be deemed to have notice of any default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless written notice of any event which is in fact such a default is received by the Trustee at the Corporate Trust Office of the Trustee, and such notice references the Securities and this Indenture;

(10) the rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder;

(11) The Trustee may request that the Issuer deliver an Officers' Certificate setting forth the names of individuals and or titles of officers authorized at such time to take specified actions pursuant to this Indenture, which Officers' Certificate may be signed by any person authorized to sign an Officers' Certificate, including any person specified as so authorized in any such certificate previously delivered and not superseded; and

(12) The Trustee may request that the Guarantor deliver a Guarantor's Officers' Certificate setting forth the names of individuals and or titles of officers authorized at such time to take specified actions pursuant to this Indenture, which Guarantor's Officers' Certificate may be signed by any person authorized to sign a Guarantor's Officers' Certificate, including any person specified as so authorized in any such certificate previously delivered and not superseded.

SECTION 604. Not Responsible for Recitals or Issuance of Securities.

The recitals contained herein and in the Securities, except the Trustee's certificates of authentication, shall be taken as the statements of the Issuer or the Guarantor, and neither the Trustee nor any Authenticating Agent assumes any responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Securities. Neither the Trustee nor any Authenticating Agent shall be accountable for the use or application by the Issuer of Securities or the proceeds thereof.

SECTION 605. May Hold Securities.

The Trustee, any Authenticating Agent, any Paying Agent, any Security Registrar or any other agent of the Issuer or the Guarantor, in its individual or any other capacity, may become the owner or pledgee of Securities and, subject to Sections 608 and 613, may otherwise deal with the Issuer or the Guarantor with the same rights it would have if it were not Trustee, Authenticating Agent, Paying Agent, Security Registrar or such other agent.

SECTION 606. Money Held in Trust.

Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed in writing with the Issuer or the Guarantor, as the case may be.

SECTION 607. Compensation and Reimbursement.

The Issuer agrees

(1) to pay to the Trustee from time to time such compensation as the Issuer and the Trustee shall from time to time agree in writing for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(2) except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or

made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be attributable to its negligence or bad faith; and

(3) to indemnify the Trustee and any predecessor Trustee for, and to hold it harmless against, any and all loss, liability or expense including taxes (other than taxes imposed on the income of the Trustee) incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder.

The Trustee shall have a lien prior to the Securities as to all property and funds held by it hereunder for any amount owing it or any predecessor Trustee pursuant to this Section 607 except with respect to funds held in trust for the benefit of the Holders of particular Securities. When the Trustee incurs expenses or renders services in connection with an Event of Default specified in Section 501(6) or Section 501(7), the expenses (including the reasonable charges and expenses of its counsel) and the compensation for the services are intended to constitute expenses of administration under any applicable Federal or State bankruptcy, insolvency or other similar law.

The provisions of this Section shall survive the termination of this Indenture.

SECTION 608. Disqualification; Conflicting Interests.

If the Trustee has or shall acquire a conflicting interest within the meaning of the Trust Indenture Act, the Trustee shall either eliminate such interest or resign, to the extent and in the manner provided by, and subject to the provisions of, the Trust Indenture Act and this Indenture. To the extent permitted by such Act, the Trustee shall not be deemed to have a conflicting interest by virtue of being a trustee under this Indenture with respect to Securities of more than one series.

SECTION 609. Corporate Trustee Required; Eligibility.

There shall at all times be one (and only one) Trustee hereunder with respect to the Securities of each series, which may be Trustee hereunder for Securities of one or more other series. Each Trustee shall be a Person that is eligible pursuant to the Trust Indenture Act to act as such and has a combined capital and surplus of at least \$50,000,000. If any such Person publishes reports of condition at least annually, pursuant to law or to the requirements of its supervising or examining authority, then for the purposes of this Section and to the extent permitted by the Trust Indenture Act, the combined capital and surplus of such Person shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee with respect to the Securities of any series shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

SECTION 610. *Resignation and Removal; Appointment of Successor.*

No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee in accordance with the applicable requirements of Section 611.

The Trustee may resign at any time with respect to the Securities of one or more series by giving written notice thereof to the Issuer.

The Trustee may be removed at any time with respect to the Securities of any series by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series, delivered to the Trustee and to the Issuer.

If at any time:

(1) the Trustee shall fail to comply with Section 608 after written request therefor by the Issuer or by any Holder who has been a bona fide Holder of a Security for at least six months, or

(2) the Trustee shall cease to be eligible under Section 609 and shall fail to resign after written request therefor by the Issuer or by any such Holder, or

(3) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (A) the Issuer by a Board Resolution may remove the Trustee with respect to all Securities, or (B) subject to Section 514, any Holder who has been a bona fide Holder of a Security for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Securities and the appointment of a successor Trustee or Trustees.

If the instrument of acceptance by a successor Trustee required by Section 611 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation or removal, the Trustee resigning or being removed may petition, at the expense of the Issuer, any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, with respect to the Securities of one or more series, the Issuer, by a Board Resolution, shall promptly appoint a successor Trustee or Trustees with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Securities of any particular series) and shall comply with the applicable requirements of Section 611. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Securities of any series shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series delivered to the Issuer and the

retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment in accordance with the applicable requirements of Section 611, become the successor Trustee with respect to the Securities of such series and to that extent supersede the successor Trustee appointed by the Issuer. If no successor Trustee with respect to the Securities of any series shall have been so appointed by the Issuer or the Holders and accepted appointment in the manner required by Section 611, any Holder who has been a bona fide Holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

The Issuer shall give notice of each resignation and each removal of the Trustee with respect to the Securities of any series and each appointment of a successor Trustee with respect to the Securities of any series to all Holders of Securities of such series in the manner provided in Section 106. Each notice shall include the name of the successor Trustee with respect to the Securities of such series and the address of its Corporate Trust Office.

SECTION 611. Acceptance of Appointment by Successor.

In case of the appointment hereunder of a successor Trustee with respect to all Securities, every such successor Trustee so appointed shall execute, acknowledge and deliver to the Issuer, the Guarantor and to the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on the request of the Issuer, the Guarantor or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder.

In case of the appointment hereunder of a successor Trustee with respect to the Securities of one or more (but not all) series, the Issuer, the Guarantor, the retiring Trustee and each successor Trustee with respect to the Securities of one or more series shall execute and deliver an indenture supplemental hereto wherein each successor Trustee shall accept such appointment and which (1) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, each successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates, (2) if the retiring Trustee is not retiring with respect to all Securities, shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (3) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust and that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee; and upon the execution and delivery of such supplemental indenture the resignation or removal of the retiring Trustee shall become effective to the extent provided therein and each such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or

those series to which the appointment of such successor Trustee relates; but, on request of the Issuer, the Guarantor or any successor Trustee, such retiring Trustee shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder with respect to the Securities of that or those series to which the appointment of such successor Trustee relates.

Upon request of any such successor Trustee, the Issuer and the Guarantor shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in the first or second preceding paragraph, as the case may be.

No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

SECTION 612. Merger, Conversion, Consolidation or Succession to Business.

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities.

SECTION 613. Preferential Collection of Claims Against Issuer.

If and when the Trustee shall be or become a creditor of the Issuer (or any other obligor upon the Securities), the Trustee shall be subject to the provisions of the Trust Indenture Act regarding the collection of claims against the Issuer (or any such other obligor).

SECTION 614. Appointment of Authenticating Agent.

The Trustee may appoint an Authenticating Agent or Agents with respect to one or more series of Securities which shall be authorized to act on behalf of the Trustee to authenticate Securities of such series issued upon original issue and upon exchange, registration of transfer, or partial redemption thereof or pursuant to Section 306, and Securities so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Wherever reference is made in this Indenture to the authentication and delivery of Securities by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Each Authenticating Agent shall be acceptable to the Issuer and shall at all times be a corporation organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia, authorized under such laws to act as Authenticating Agent, having a combined capital and surplus of not less than \$50,000,000 and subject to supervision or examination by Federal or State authority. If such

Authenticating Agent publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Authenticating Agent shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, such Authenticating Agent shall resign immediately in the manner and with the effect specified in this Section.

Any corporation into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which such Authenticating Agent shall be a party, or any corporation succeeding to the corporate agency or corporate trust business of an Authenticating Agent, shall continue to be an Authenticating Agent, provided such corporation shall be otherwise eligible under this Section, without the execution or filing of any paper or any further act on the part of the Trustee or the Authenticating Agent.

An Authenticating Agent may resign at any time by giving written notice thereof to the Trustee and to the Issuer. The Trustee may at any time terminate the agency of an Authenticating Agent by giving written notice thereof to such Authenticating Agent and to the Issuer. Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, the Trustee may appoint a successor Authenticating Agent which shall be acceptable to the Issuer and shall give notice of such appointment in the manner provided in Section 106 to all Holders of Securities of the series with respect to which such Authenticating Agent will serve. Any successor Authenticating Agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section.

The Issuer agrees to pay to each Authenticating Agent from time to time such compensation for its services under this Section as the Issuer and the Authenticating Agent shall from time to time agree in writing.

If an appointment with respect to one or more series is made pursuant to this Section, the Securities of such series may have endorsed thereon, in addition to the Trustee's certificate of authentication, an alternative certificate of authentication in the following form:

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

THE BANK OF NEW YORK,
As Trustee

By _____,
As Authenticating Agent

By _____
Authorized Signatory

ARTICLE SEVEN

HOLDERS' LISTS AND REPORTS BY TRUSTEE, ISSUER AND GUARANTOR

SECTION 701. *Issuer and Guarantor to Furnish Trustee Names and Addresses of Holders.*

The Issuer and the Guarantor (with respect to Securities of each Series that are Guaranteed Securities) will furnish or cause to be furnished to the Trustee

(1) semi-annually, not later than March 15 and September 15 in each year, a list, in such form as the Trustee may reasonably require, of the names and addresses of the Holders of Securities of each series as of the preceding March 1 or September 1, as the case may be, and

(2) at such other times as the Trustee may request in writing, within 30 days after the receipt by the Issuer or the Guarantor (with respect to Securities of each Series that are Guaranteed Securities) of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished,

excluding from any such list names and addresses received by the Trustee in its capacity as Security Registrar.

SECTION 702. *Preservation of Information; Communications to Holders.*

The Trustee shall preserve, in as current a form as is reasonably practicable, the names and addresses of Holders contained in the most recent list furnished to the Trustee as provided in Section 701 and the names and addresses of Holders received by the Trustee in its capacity as Security Registrar. The Trustee may destroy any list furnished to it as provided in Section 701 upon receipt of a new list so furnished.

The rights of Holders to communicate with other Holders with respect to their rights under this Indenture or under the Securities, and the corresponding rights and privileges of the Trustee, shall be as provided by the Trust Indenture Act.

Every Holder of Securities, by receiving and holding the same, agrees with the Issuer, the Guarantor and the Trustee that none of the Issuer, the Guarantor or the Trustee or any agent of any of them shall be held accountable by reason of any disclosure of information as to names and addresses of Holders made pursuant to the Trust Indenture Act.

SECTION 703. *Reports by Trustee.*

The Trustee shall transmit to Holders such reports concerning the Trustee and its actions under this Indenture as may be required pursuant to the Trust Indenture Act at the times and in the manner provided pursuant thereto. Reports so required to be transmitted at stated intervals of not more than 12 months shall be transmitted within 60 days after the first date of issuance of Securities and on each anniversary of such date.

A copy of each such report shall, at the time of such transmission to Holders, be filed by the Trustee with each stock exchange upon which any Securities are listed, with the Commission

and with the Issuer or the Guarantor. The Issuer will promptly notify the Trustee when any Securities are listed on any stock exchange.

SECTION 704. Reports by Issuer and Guarantor.

The Issuer and, if Guaranteed Securities are Outstanding, the Guarantor, will file with the Trustee, within 15 days after it files the same with the Commission, copies of the annual reports and of the information, documents and other reports that it may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Exchange Act. If the Issuer is not required to file with the Commission information, documents or reports pursuant to either of those sections of the Exchange Act, then it will file with the Trustee and the Commission such reports, if any, as may be prescribed by the Commission at such time. If the Guarantor, at a time that Guaranteed Securities are Outstanding, is not required to file with the Commission information, documents or reports pursuant to either of those sections of the Exchange Act, then it will file with the Trustee and the Commission such reports, if any, as may be prescribed by the Commission at such time.

Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Issuer's and the Guarantor's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates) and the Guarantor's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Guarantor's Officers' Certificates).

ARTICLE EIGHT

CONSOLIDATION, MERGER, CONVEYANCE, TRANSFER OR LEASE

SECTION 801. Issuer May Consolidate, Etc., Only on Certain Terms.

The Issuer shall not consolidate with or merge into any other Person or convey, transfer or lease its properties and assets substantially as an entirety to any Person, and shall not permit any Person to consolidate with or merge into the Issuer or convey, transfer or lease its properties and assets substantially as an entirety to the Issuer unless:

(1) in case the Issuer shall consolidate with or merge into another Person or convey, transfer or lease its properties and assets substantially as an entirety to any Person, the Person formed by such consolidation or into which the Issuer is merged or the Person which acquires by conveyance or transfer, or which leases, the properties and assets of the Issuer substantially as an entirety shall be a corporation, partnership or trust, shall be organized and validly existing under the laws of the United States of America, any State thereof or the District of Columbia and shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form satisfactory to the Trustee, the due and punctual payment of the principal of and any premium and interest on all the Securities and the performance or observance of every covenant of this Indenture on the part of the Issuer, to be performed or observed;

(2) immediately after giving effect to such transaction and treating any indebtedness which becomes an obligation of the Issuer or any Subsidiary of it as a result of such transaction as having been incurred by the Issuer or such Subsidiary at the time of such transaction, no Event of Default, and no event which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing;

(3) if, as a result of any such consolidation or merger or such conveyance, transfer or lease, properties or assets of the Issuer would become subject to a mortgage, pledge, lien, security interest or other encumbrance which would not be permitted by this Indenture, the Issuer or such successor Person, as the case may be, shall take such steps as shall be necessary effectively to secure the Securities equally and ratably with (or prior to) all indebtedness secured thereby; and

(4) the Issuer has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger, conveyance, transfer or lease and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture comply with this Article and that all conditions precedent herein provided for relating to such transaction have been complied with.

SECTION 802. *Successor Substituted.*

Upon any consolidation of the Issuer with, or merger of the Issuer into, any other Person or any conveyance, transfer or lease of the properties and assets of the Issuer substantially as an entirety in accordance with Section 801, the successor Person formed by such consolidation or into which the Issuer is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under this Indenture with the same effect as if such successor Person had been named as the Issuer herein, and thereafter, except in the case of a lease, the predecessor Person shall be relieved of all obligations and covenants under this Indenture and the Securities.

ARTICLE NINE

SUPPLEMENTAL INDENTURES

SECTION 901. *Supplemental Indentures Without Consent of Holders.*

Without the consent of any Holders, the Issuer (when authorized by a Board Resolution), the Guarantor (when authorized pursuant to a Guarantor's Board Resolution), and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any of the following purposes:

(1) to evidence the succession of another Person to the Issuer or the Guarantor and the assumption by any such successor of the covenants of the Issuer or the Guarantor, as the case may be, contained herein and in the Securities; or

(2) to add to the covenants of the Issuer or the Guarantor, for the benefit of the Holders of all or any series of Securities (and if such covenants are to be for the benefit of less than all series of Securities, stating that such covenants are expressly being

included solely for the benefit of such series) or to surrender any right or power herein conferred upon the Issuer or the Guarantor; or

(3) to add any additional Events of Default for the benefit of the Holders of all or any series of Securities (and if such additional Events of Default are to be for the benefit of less than all series of Securities, stating that such additional Events of Default are expressly being included solely for the benefit of such series); or

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

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

(6) to secure the Securities pursuant to the provisions of Section 801(3) or otherwise; or

(7) to establish the form or terms of Securities of any series and the Guarantees thereof as permitted by Sections 201 and 301; or

(8) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Securities of one or more series and to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Section 611; or

(9) to add Guarantees to the Securities of any series to which the Guarantees shall not have already been attached; or

(10) to add to, change or eliminate any of the provisions of this Indenture to such extent as shall be necessary to comply with the rules or regulations on any securities exchange or automated quotation system on which any of the Securities may be listed or traded; or

(11) to cure any ambiguity, to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Indenture, provided that such action pursuant to this Clause (11) shall not adversely affect the interests of the Holders of Securities of any series in any material respect.

SECTION 902. *Supplemental Indentures With Consent of Holders.*

With the consent of the Holders of not less than a majority in principal amount of the Outstanding Securities of each series affected by such supplemental indenture, by Act of said Holders delivered to the Issuer, the Guarantor (if the Securities are Guaranteed Securities) and the Trustee, the Issuer, when authorized by a Board Resolution, the Guarantor (when authorized by a Guarantor's Board Resolution), and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the Holders of Securities of such series under this Indenture; *provided, however*, that no such supplemental indenture shall, without the consent of the Holder of each Outstanding Security affected thereby,

- (1) change the Stated Maturity of the principal of, or any installment of principal of or interest on, any Security, or reduce the principal amount thereof or the rate of interest thereon or any premium payable upon the redemption thereof, or reduce the amount of the principal of an Original Issue Discount Security or any other Security which would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 502, or change any Place of Payment where, or the coin or currency in which, any Security or any premium or interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date), or
- (2) reduce the percentage in principal amount of the Outstanding Securities of any series, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture, or
- (3) modify or affect in any manner adverse to the interests of the Holders of any Securities the terms and conditions of the obligations of the Guarantor in respect of the due and punctual payment of principal of, or any premium or interest on, or any sinking fund requirements, with respect to Guaranteed Securities, or
- (4) modify any of the provisions of this Section, Section 513 or Section 1008, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Security affected thereby; *provided, however*, that this clause shall not be deemed to require the consent of any Holder with respect to changes in the references to "the Trustee" and concomitant changes in this Section and Section 1008, or the deletion of this proviso, in accordance with the requirements of Sections 611 and 901(8).

A supplemental indenture which changes or eliminates any covenant or other provision of this Indenture which has expressly been included solely for the benefit of one or more particular series of Securities, or which modifies the rights of the Holders of Securities of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the Holders of Securities of any other series.

It shall not be necessary for any Act of Holders under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

The Issuer may, but shall not be obligated to, fix a record date for the purpose of determining the Persons entitled to consent to any indenture supplemental hereto. If a record date is fixed, the Holders on such record date, or their duly designated proxies, and only such Persons, shall be entitled to consent to such supplemental indenture, whether or not such Holders remain Holders after such record date; provided, that unless such consent shall have become effective by virtue of the requisite percentage having been obtained prior to the date which is 90 days after such record date, any such consent previously given shall automatically and without further action by any Holder be cancelled and of no further effect.

SECTION 903. Execution of Supplemental Indentures.

In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modifications thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and (subject to Section 601) shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

SECTION 904. Effect of Supplemental Indentures.

Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Securities theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

SECTION 905. Conformity with Trust Indenture Act.

Every supplemental indenture executed pursuant to this Article shall conform to the requirements of the Trust Indenture Act.

SECTION 906. Reference in Securities to Supplemental Indentures.

Securities of any series authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Issuer or the Guarantor shall so determine, new Securities of any series so modified as to conform, in the opinion of the Trustee and the Issuer or the Guarantor, to any such supplemental indenture may be prepared and executed by the Issuer and the Guarantor, if such Securities are Guaranteed Securities, the Guarantees of the Guarantor, if applicable, may be duly endorsed thereon, and such Securities may be authenticated and delivered by the Trustee in exchange for Outstanding Securities of such series.

ARTICLE TEN

COVENANTS

SECTION 1001. *Payment of Principal, Premium and Interest.*

The Issuer covenants and agrees for the benefit of each series of Securities that it will duly and punctually pay the principal of and any premium and interest on the Securities of that series in accordance with the terms of the Securities and this Indenture.

SECTION 1002. *Maintenance of Office or Agency.*

The Issuer will maintain in each Place of Payment for any series of Securities an office or agency where Securities of that series may be presented or surrendered for payment, where Securities of that series may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Issuer in respect of the Securities of that series and this Indenture may be served. The Issuer will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Issuer shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Issuer hereby appoints the Trustee as its agent to receive all such presentations, surrenders, notices and demands.

The Issuer may also from time to time designate one or more other offices or agencies where the Securities of one or more series may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided, however*, that no such designation or rescission shall in any manner relieve the Issuer of its obligation to maintain an office or agency in each Place of Payment for Securities of any series for such purposes. The Issuer will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

With respect to any Global Security, and except as otherwise may be specified for such Global Security as contemplated by Section 301, the Corporate Trust Office of the Trustee shall be the Place of Payment where such Global Security may be presented or surrendered for payment or for registration of transfer or exchange, or where Successor Securities may be delivered in exchange therefore, provided, however, that any such payment, presentation, surrender or delivery effected pursuant to the Applicable Procedures of the Depositary for such Global Security shall be deemed to have been effected at the Place of Payment for such Global Security in accordance with the provisions of this Indenture.

SECTION 1003. *Money for Securities Payments to Be Held in Trust.*

If the Issuer or the Guarantor shall at any time act as its own Paying Agent with respect to any series of Securities, it will, on or before each due date of the principal of or any premium or interest on any of the Securities of that series, segregate and hold in trust for the benefit of the Persons entitled thereto a sum sufficient to pay the principal and any premium and interest so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided and will promptly notify the Trustee of its action or failure so to act.

Whenever the Issuer or the Guarantor, as the case may be, shall have one or more Paying Agents for any series of Securities, it will, prior to each due date of the principal of or any premium or interest on any Securities of that series, deposit (or, if the Issuer or Guarantor has deposited any trust funds with a trustee pursuant to Section 1304(1), cause such trustee to deposit) with a Paying Agent a sum sufficient to pay such amount, such sum to be held as provided by the Trust Indenture Act, and (unless such Paying Agent is the Trustee) the Issuer or the Guarantor, as the case may be, will promptly notify the Trustee of its action or failure so to act.

The Issuer or the Guarantor, as the case may be, will cause each Paying Agent for any series of Securities other than the Trustee to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will (1) comply with the provisions of the Trust Indenture Act applicable to it as a Paying Agent and (2) during the continuance of any default by the Issuer (or any other obligor upon the Securities of that series) in the making of any payment in respect of the Securities of that series, upon the written request of the Trustee, forthwith pay to the Trustee all sums held in trust by such Paying Agent for payment in respect of the Securities of that series.

The Issuer or the Guarantor, as the case may be, may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Issuer Order or Guarantor Order, as applicable, direct any Paying Agent to pay, to the Trustee all sums held in trust by the Issuer or the Guarantor, as the case may be, or such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Issuer or the Guarantor, as the case may be, or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such money.

Any money deposited with the Trustee or any Paying Agent, or then held by the Issuer or the Guarantor, as the case may be, in trust for the payment of the principal of or any premium or interest on any Security of any series and remaining unclaimed for two years after such principal, premium or interest has become due and payable shall be paid to the Issuer or the Guarantor, as the case may be, on Issuer Request or Guarantor Request, as applicable, or (if then held by the Issuer or the Guarantor, as the case may be,) shall be discharged from such trust; and the Holder of such Security shall thereafter, as an unsecured general creditor, look only to the Issuer or the Guarantor, as the case may be, for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Issuer or the Guarantor, as the case may be, as trustee thereof, shall thereupon cease; *provided, however*, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Issuer or the Guarantor, as the case may be, cause to be published once, in a newspaper published in the English language, customarily published on each Business Day and of general circulation in New York, New York, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication, any unclaimed balance of such money then remaining will be repaid to the Issuer or the Guarantor, as the case may be.

SECTION 1004. *Statement by Officers as to Default.*

The Issuer and the Guarantor, in the event Guaranteed Securities are Outstanding, will deliver to the Trustee, within 120 days after the end of each fiscal year of the Issuer or the Guarantor, as the case may be, ending after the date hereof, an Officers' Certificate or

Guarantor's Officers' Certificate, as applicable, stating whether or not to the best knowledge of the signers thereof the Issuer or the Guarantor, as the case may be, is in default in the performance and observance of any of the terms, provisions and conditions of this Indenture (without regard to any period of grace or requirement of notice provided hereunder) and, if the Issuer or the Guarantor shall be in default, specifying all such defaults and the nature and status thereof of which they have knowledge.

SECTION 1005. *Existence.*

Subject to Article Eight, the Issuer will do or cause to be done all things necessary to preserve and keep in full force and effect its existence, rights (charter and statutory) and franchises; *provided, however*, that the Issuer shall not be required to preserve any such right or franchise if the Board of Trustees shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Issuer and that the loss thereof is not disadvantageous in any material respect to the Holders of Outstanding Securities.

SECTION 1006. *Maintenance of Properties.*

The Issuer will cause all properties used or useful in the conduct of its business or the business of any Subsidiary to be maintained and kept in good condition, repair and working order and supplied with all necessary equipment and will cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Issuer may be necessary so that the business carried on in connection therewith may be properly and advantageously conducted at all times; *provided, however*, that nothing in this Section shall prevent the Issuer from discontinuing the operation or maintenance of any of such properties if such discontinuance is, in the judgment of the Issuer, desirable in the conduct of its business or the business of any Subsidiary and not disadvantageous in any material respect to the Holders of Outstanding Securities.

SECTION 1007. *Payment of Taxes and Other Claims.*

The Issuer will pay or discharge or cause to be paid or discharged, before the same shall become delinquent, (1) all taxes, assessments and governmental charges levied or imposed upon it or any Subsidiary or upon its income, profits or property or the income, profits or property of any Subsidiary, and (2) all lawful claims for labor, materials and supplies which, if unpaid, might by law become a lien upon its property or the property of any Subsidiary; *provided, however*, that the Issuer shall not be required to pay or discharge or cause to be paid or discharged any such tax, assessment, charge or claim whose amount, applicability or validity is being contested in good faith by appropriate proceedings.

SECTION 1008. *Insurance.*

The Issuer will cause each of its properties and each of the properties of its Subsidiaries which are of an insurable nature to be insured against loss of damage with insurers of recognized responsibility, in commercially reasonable amounts and types.

SECTION 1009. *Waiver of Certain Covenants.*

Except as otherwise specified as contemplated by Section 301 for Securities of a specific series, the Issuer and the Guarantor, as the case may be, may, with respect to the Securities of any series, omit in any particular instance to comply with any term, provision or condition set forth in any covenant provided pursuant to Section 301(18), 901(2) or 901(7) for the benefit of the Holders of such series, in Article Eight, or in any of Sections 1005 through 1008, inclusive, if before the time for such compliance the Holders of at least a majority in principal amount of the Outstanding Securities of such series shall, by Act of such Holders, either waive such compliance in such instance or generally waive compliance with such term, provision or condition, but no such waiver shall extend to or affect such term, provision or condition except to the extent so expressly waived, and, until such waiver shall become effective, the obligations of the Issuer or the Guarantor and the duties of the Trustee in respect of any such term, provision or condition shall remain in full force and effect.

SECTION 1010. *Calculation of Original Issue Discount.*

The Issuer shall file with the Trustee promptly at the end of each calendar year a written notice specifying the amount of original issue discount (including daily rates and accrual periods) accrued on Outstanding Securities as of the end of such year, but only if as of the end of such year Securities issued at an original issue discount are then Outstanding.

ARTICLE ELEVEN

REDEMPTION OF SECURITIES

SECTION 1101. *Applicability of Article.*

Securities of any series which are redeemable before their Stated Maturity shall be redeemable in accordance with their terms and (except as otherwise specified as contemplated by Section 301 for such Securities) in accordance with this Article.

SECTION 1102. *Election to Redeem; Notice to Trustee.*

The election of the Issuer to redeem any Securities shall be evidenced by a Board Resolution or in another manner specified as contemplated by Section 301 for such Securities. In case of any redemption at the election of the Issuer of less than all the Securities of any series (including any such redemption affecting only a single Security), the Issuer shall, at least 60 days prior to the Redemption Date fixed by the Issuer (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date, of the principal amount of Securities of such series to be redeemed and, if applicable, of the tenor of the Securities to be redeemed. In the case of any redemption of Securities prior to the expiration of any restriction on such redemption provided in the terms of such Securities or elsewhere in this Indenture, the Issuer shall furnish the Trustee with an Officers' Certificate evidencing compliance with such restriction.

SECTION 1103. *Selection by Trustee of Securities to Be Redeemed.*

If less than all the Securities of any series are to be redeemed (unless all the Securities of such series and of a specified tenor are to be redeemed or unless such redemption affects only a

single Security), the particular Securities to be redeemed shall be selected not more than 60 days prior to the Redemption Date by the Trustee, from the Outstanding Securities of such series not previously called for redemption, by such method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of a portion of the principal amount of any Security of such series, provided that the unredeemed portion of the principal amount of any Security shall be in an authorized denomination (which shall not be less than the minimum authorized denomination) for such Security. If less than all the Securities of such series and of a specified tenor are to be redeemed (unless such redemption affects only a single Security), the particular Securities to be redeemed shall be selected not more than 60 days prior to the Redemption Date by the Trustee, from the Outstanding Securities of such series and specified tenor not previously called for redemption in accordance with the preceding sentence.

The Trustee shall promptly notify the Issuer in writing of the Securities selected for redemption as aforesaid and, in case of any Securities selected for partial redemption as aforesaid, the principal amount thereof to be redeemed.

The provisions of the two preceding paragraphs shall not apply with respect to any redemption affecting only a single Security, whether such Security is to be redeemed in whole or in part. In the case of any such redemption in part, the unredeemed portion of the principal amount of the Security shall be in an authorized denomination (which shall not be less than the minimum authorized denomination) for such Security.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Securities redeemed or to be redeemed only in part, to the portion of the principal amount of such Securities which has been or is to be redeemed.

SECTION 1104. *Notice of Redemption.*

Notice of redemption shall be given by first-class mail, postage prepaid, mailed not less than 30 nor more than 60 days prior to the Redemption Date, to each Holder of Securities to be redeemed, at his address appearing in the Security Register, with a copy to the Trustee and any Paying Agent.

All notices of redemption shall identify the Securities to be redeemed, including CUSIP number, if any, and shall state:

- (1) the Redemption Date,
- (2) the Redemption Price,
- (3) if less than all the Outstanding Securities of any series consisting of more than a single Security are to be redeemed, the identification (and, in the case of partial redemption of any such Securities, the principal amounts) of the particular Securities to be redeemed and, if less than all the Outstanding Securities of any series consisting of a single Security are to be redeemed, the principal amount of the particular Security to be redeemed,

(4) that on the Redemption Date the Redemption Price will become due and payable upon each such Security to be redeemed and, if applicable, that interest thereon will cease to accrue on and after said date,

(5) the place or places where each such Security is to be surrendered for payment of the Redemption Price, and

(6) that the redemption is for a sinking fund, if such is the case.

Notice of redemption of Securities to be redeemed at the election of the Issuer shall be given by the Issuer or, at the Issuer's request made to the Trustee at least 35 days prior to the Redemption Date, by the Trustee in the name and at the expense of the Issuer and shall be irrevocable.

SECTION 1105. Deposit of Redemption Price.

Prior to any Redemption Date, the Issuer shall deposit with the Trustee or with a Paying Agent (or, if the Issuer is acting as its own Paying Agent, segregate and hold in trust as provided in Section 1003) an amount of money sufficient to pay the Redemption Price of, and (except if the Redemption Date shall be an Interest Payment Date or the Securities of the series provide otherwise) accrued interest on, all the Securities which are to be redeemed on that date.

SECTION 1106. Securities Payable on Redemption Date.

Notice of redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Issuer shall default in the payment of the Redemption Price and accrued interest) such Securities shall cease to bear interest. Upon surrender of any such Security for redemption in accordance with said notice, such Security shall be paid by the Issuer at the Redemption Price, together, if applicable, with accrued interest to the Redemption Date; *provided, however*, that, unless otherwise specified as contemplated by Section 301, installments of interest whose Stated Maturity is on or prior to the Redemption Date will be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the relevant Record Dates according to their terms and the provisions of Section 307.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal and any premium shall, until paid, bear interest from the Redemption Date at the rate prescribed therefor in the Security.

SECTION 1107. Securities Redeemed in Part.

Any Security which is to be redeemed only in part shall be surrendered at a Place of Payment therefor (with, if the Issuer or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Issuer and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing), and the Issuer shall execute, and the Trustee shall authenticate and deliver to the Holder of such Security without service charge, a new Security or Securities of the same series and of like tenor, of any authorized denomination as

requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered.

ARTICLE TWELVE

SINKING FUNDS

SECTION 1201. *Applicability of Article.*

The provisions of this Article shall be applicable to any sinking fund for the retirement of Securities of any series except as otherwise specified as contemplated by Section 301 for such Securities.

The minimum amount of any sinking fund payment provided for by the terms of any Securities is herein referred to as a “mandatory sinking fund payment”, and any payment in excess of such minimum amount provided for by the terms of such Securities is herein referred to as an “optional sinking fund payment”. If provided for by the terms of any Securities, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 1202. Each sinking fund payment shall be applied to the redemption of Securities as provided for by the terms of such Securities.

SECTION 1202. *Satisfaction of Sinking Fund Payments with Securities.*

The Issuer (1) may deliver Outstanding Securities of a series (other than any previously called for redemption) and (2) may apply as a credit Securities of a series which have been redeemed either at the election of the Issuer pursuant to the terms of such Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Securities, in each case in satisfaction of all or any part of any sinking fund payment with respect to any Securities of such series required to be made pursuant to the terms of such Securities as and to the extent provided for by the terms of such Securities; provided that the Securities to be so credited have not been previously so credited. The Securities to be so credited shall be received and credited for such purpose by the Trustee at the Redemption Price, as specified in the Securities so to be redeemed, for redemption through operation of the sinking fund and the amount of such sinking fund payment shall be reduced accordingly.

SECTION 1203. *Redemption of Securities for Sinking Fund.*

Not less than 60 days prior to each sinking fund payment date for any Securities, the Issuer will deliver to the Trustee an Officers’ Certificate specifying the amount of the next ensuing sinking fund payment for such Securities pursuant to the terms of such Securities, the portion thereof, if any, which is to be satisfied by payment of cash and the portion thereof, if any, which is to be satisfied by delivering and crediting Securities pursuant to Section 1202 and will also deliver to the Trustee any Securities to be so delivered. Not less than 30 nor more than 45 days prior to each such sinking fund payment date, the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 1103 and cause notice of the redemption thereof to be given in the name of and at the expense of the Issuer in the manner provided in Section 1104. Such notice having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Sections 1106 and 1107.

ARTICLE THIRTEEN

DEFEASANCE AND COVENANT DEFEASANCE

SECTION 1301. *Issuer's Option to Effect Defeasance or Covenant Defeasance.*

If applicable to a particular series of Securities, the Issuer may elect, at its option at any time, to have Section 1302 or Section 1303 applied to any such series of Securities or any Securities of such series, as the case may be, designated pursuant to Section 301 as being defeasible pursuant to such Section 1302 or 1303, in accordance with any applicable requirements provided pursuant to Section 301 and upon compliance with the conditions set forth below in this Article. Any such election shall be evidenced by a Board Resolution or in another manner specified as contemplated by Section 301 for such Securities.

SECTION 1302. *Defeasance and Discharge.*

Upon the Issuer's exercise of its option (if any) to have this Section applied to any applicable series of Securities or any Securities of such series, as the case may be, the Issuer and the Guarantor (with respect to Guaranteed Securities) shall be deemed to have been discharged from their obligations with respect to such Securities as provided in this Section on and after the date the conditions set forth in Section 1304 are satisfied (hereinafter called "Defeasance"). For this purpose, such Defeasance means that the Issuer and the Guarantor (with respect to Guaranteed Securities) shall be deemed to have paid and discharged the entire indebtedness represented by such Securities and to have satisfied all their other obligations under such Securities and this Indenture insofar as such Securities are concerned (and the Trustee, at the expense of the Issuer, shall execute proper instruments acknowledging the same), subject to the following which shall survive until otherwise terminated or discharged hereunder: (1) the rights of Holders of such Securities to receive, solely from the trust fund described in Section 1304 and as more fully set forth in such Section, payments in respect of the principal of and any premium and interest on such Securities when payments are due, (2) the Issuer's obligations with respect to such Securities and the Guarantor's obligations with respect to Guaranteed Securities under Sections 304, 305, 306, 1002 and 1003, (3) the rights, powers, trusts, duties and immunities of the Trustee hereunder and (4) this Article. Subject to compliance with this Article, the Issuer may exercise its option (if any) to have this Section applied to any applicable Securities notwithstanding the prior exercise of its option (if any) to have Section 1303 applied to such Securities.

SECTION 1303. *Covenant Defeasance.*

Upon the Issuer's exercise of its option (if any) to have this Section applied to any applicable series of Securities or any Securities of such series, as the case may be, (1) each of the Issuer and the Guarantor (with respect to Guaranteed Securities) shall be released from its obligations under Section 801(3), Sections 1005 through 1008, inclusive, and any covenants provided pursuant to Section 301(18), 901(2) or 901(7) for the benefit of the Holders of such Securities and (2) the occurrence of any event specified in Sections 501(4) (with respect to any of Section 801(3), Sections 1005 through 1008, inclusive, and any such covenants provided pursuant to Section 301(18), 901(2) or 901(7)), 501(5) and 501(8) shall be deemed not to be or result in an Event of Default, in each case with respect to such Securities as provided in this Section on and after the date the conditions set forth in Section 1304 are satisfied (hereinafter called "Covenant

Defeasance”). For this purpose, such Covenant Defeasance means that, with respect to such Securities, the Issuer and the Guarantor may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such specified Section (to the extent so specified in the case of Section 501(4)), whether directly or indirectly by reason of any reference elsewhere herein to any such Section or by reason of any reference in any such Section to any other provision herein or in any other document, but the remainder of this Indenture and such Securities shall be unaffected thereby.

SECTION 1304. *Conditions to Defeasance or Covenant Defeasance.*

The following shall be the conditions to the application of Section 1302 or Section 1303 to any applicable series of Securities or any Securities of such series, as the case may be:

(1) The Issuer shall irrevocably have deposited or caused to be deposited with the Trustee (or another trustee which satisfies the requirements contemplated by Section 609 and agrees to comply with the provisions of this Article applicable to it) as trust funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefits of the Holders of such Securities, (A) money in an amount, or (B) U.S. Government Obligations which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment, money in an amount, or (C) a combination thereof, in each case sufficient, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, to pay and discharge, and which shall be applied by the Trustee (or any such other qualifying trustee) to pay and discharge, the principal of and any premium and interest on such Securities on the respective Stated Maturities, in accordance with the terms of this Indenture and such Securities. As used herein, “U.S. Government Obligation” means (x) any security which is (i) a direct obligation of the United States of America for the payment of which the full faith and credit of the United States of America is pledged or (ii) an obligation of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which, in either case (i) or (ii), is not callable or redeemable at the option of the issuer thereof, and (y) any depositary receipt issued by a bank (as defined in Section 3 (a)(2) of the Securities Act) as custodian with respect to any U.S. Government Obligation which is specified in Clause (x) above and held by such bank for the account of the holder of such depositary receipt, or with respect to any specific payment of principal of or interest on any U.S. Government Obligation which is so specified and held, provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of principal or interest evidenced by such depositary receipt.

(2) In the event of an election to have Section 1302 apply to any applicable series of Securities or any Securities of such series, as the case may be, the Issuer shall have delivered to the Trustee an Opinion of Counsel stating that (A) the Issuer has received from, or there has been published by, the Internal Revenue Service a ruling or (B) since the date of this instrument, there has been a change in the applicable Federal

income tax law, in either case (A) or (B) to the effect that, and based thereon such opinion shall confirm that, the Holders of such Securities will not recognize gain or loss for Federal income tax purposes as a result of the deposit, Defeasance and discharge to be effected with respect to such Securities and will be subject to Federal income tax on the same amount, in the same manner and at the same times as would be the case if such deposit, Defeasance and discharge were not to occur.

(3) In the event of an election to have Section 1303 apply to any applicable series of Securities or any Securities of such series, as the case may be, the Issuer shall have delivered to the Trustee an Opinion of Counsel to the effect that the Holders of such Securities will not recognize gain or loss for Federal income tax purposes as a result of the deposit and Covenant Defeasance to be effected with respect to such Securities and will be subject to Federal income tax on the same amount, in the same manner and at the same times as would be the case if such deposit and Covenant Defeasance were not to occur.

(4) The Issuer shall have delivered to the Trustee an Officers' Certificate to the effect that neither such Securities nor any other Securities of the same series, if then listed on any securities exchange, will be delisted as a result of such deposit.

(5) No event which is, or after notice or lapse of time or both would become, an Event of Default with respect to such Securities or any other Securities shall have occurred and be continuing at the time of such deposit or, with regard to any such event specified in Sections 501(6) and (7), at any time on or prior to the 90th day after the date of such deposit (it being understood that this condition shall not be deemed satisfied until after such 90th day).

(6) Such Defeasance or Covenant Defeasance shall not cause the Trustee to have a conflicting interest within the meaning of the Trust Indenture Act (assuming all Securities are in default within the meaning of such Act).

(7) Such Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, any other agreement or instrument to which the Issuer is a party or by which it is bound.

(8) Such Defeasance or Covenant Defeasance shall not result in the trust arising from such deposit constituting an investment company within the meaning of the Investment Company Act unless such trust shall be registered under such Act or exempt from registration thereunder.

(9) The Issuer shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent with respect to such Defeasance or Covenant Defeasance have been complied with.

SECTION 1305. *Deposited Money and U.S. Government Obligations to Be Held in Trust; Miscellaneous Provisions.*

Subject to the provisions of the last paragraph of Section 1003, all money and U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee or other

qualifying trustee (solely for purposes of this Section and Section 1306, the Trustee and any such other trustee are referred to collectively as the "Trustee") pursuant to Section 1304 in respect of any Securities shall be held in trust and applied by the Trustee, in accordance with the provisions of such Securities and this Indenture, to the payment, either directly or through any such Paying Agent (including the Issuer acting as its own Paying Agent) as the Trustee may determine, to the Holders of such Securities, of all sums due and to become due thereon in respect of principal and any premium and interest, but money so held in trust need not be segregated from other funds except to the extent required by law.

The Issuer shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the U.S. Government Obligations deposited pursuant to Section 1304 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of Outstanding Securities.

Anything in this Article to the contrary notwithstanding, the Trustee shall deliver or pay to the Issuer from time to time upon Issuer Request any money or U.S. Government Obligations held by it as provided in Section 1304 with respect to any Securities which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect the Defeasance or Covenant Defeasance, as the case may be, with respect to such Securities.

SECTION 1306. *Reinstatement.*

If the Trustee or the Paying Agent is unable to apply any money in accordance with this Article with respect to any Securities by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the obligations under this Indenture and such Securities from which the Issuer has been discharged or released pursuant to Section 1302 or 1303 shall be revived and reinstated as though no deposit had occurred pursuant to this Article with respect to such Securities, until such time as the Trustee or Paying Agent is permitted to apply all money held in trust pursuant to Section 1305 with respect to such Securities in accordance with this Article; *provided, however*, that if the Issuer makes any payment of principal of or any premium or interest on any such Security following such reinstatement of its obligations, the Issuer shall be subrogated to the rights (if any) of the Holders of such Securities to receive such payment from the money so held in trust.

ARTICLE FOURTEEN

GUARANTEE

SECTION 1401. *The Guarantee*

The Guarantee set forth in this Article Fourteen shall only be in effect with respect to Securities of a series to the extent such Guarantee is made applicable to such series in accordance with Section 301. The Guarantor hereby unconditionally guarantees to each Holder of a Guaranteed Security authenticated and delivered by the Trustee the due and punctual payment of the principal of, any premium and interest on, such Guaranteed Security, whether at Stated Maturity, by acceleration, redemption, repayment or otherwise, in accordance with the terms of such Guaranteed Security and this Indenture. In case of the failure of the Issuer punctually to pay

any such principal, premium, interest or any additional amounts, the Guarantor hereby agrees to cause any such payment to be made punctually when and as the same shall become due and payable, whether at Stated Maturity, upon acceleration, redemption, repayment or otherwise, and as if such payment were made by the Issuer.

The Guarantor hereby agrees that its obligations hereunder shall be as principal and not merely as surety, and shall be absolute, irrevocable and unconditional, irrespective of, and shall be unaffected by, any invalidity, irregularity or unenforceability of any Guaranteed Security or this Indenture, any failure to enforce the provisions of any Guaranteed Security or this Indenture, or any waiver, modification, consent or indulgence granted with respect thereto by the Holder of such Guaranteed Security or the Trustee, the recovery of any judgment against the Issuer or any action to enforce the same, or any other circumstances which may otherwise constitute a legal or equitable discharge of a surety or guarantor; *provided, however*, that, notwithstanding the foregoing, no such waiver, modification or indulgence shall, without the consent of the Guarantor, increase the principal amount of such Security or the interest rate thereon or impose or increase any premium payable upon redemption thereof. The Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of merger, insolvency or bankruptcy of the Issuer, any right to require a proceeding first against the Issuer, protest or notice with respect to any such Guaranteed Security or the Indebtedness evidenced thereby and all demands whatsoever, and covenants that this Guarantee will not be discharged except by payment in full of the principal of, any premium and interest on, and any additional amounts required with respect to, the Guaranteed Securities and the complete performance of all other payment obligations contained in the Guaranteed Securities.

This Guarantee shall continue to be effective or be reinstated, as the case may be, if at any time payment on any Guaranteed Security, in whole or in part, is rescinded or must otherwise be repaid to the Issuer or the Guarantor upon the bankruptcy, liquidation or reorganization of the Issuer, the Guarantor or otherwise.

The Guarantor shall be subrogated to all rights of the Holder of any Guaranteed Security against the Issuer in respect of any amounts paid to such Holder by the Guarantor pursuant to the provisions of this Guarantee; *provided, however*, that the Guarantor shall not be entitled to enforce, or to receive any payments arising out of or based upon, such right of subrogation until the principal of, any premium and interest on, and any additional amounts required with respect to, all Guaranteed Securities shall have been paid in full.

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed, and their respective seals to be hereunto affixed and attested, all as of the day and year first above written.

VORNADO REALTY TRUST

By: /s/ Alan J. Rice
Name: Alan J. Rice
Title: Senior Vice President

[seal]

Attest:

/s/ Jay C. Beckoff
Jay C. Beckoff

VORNADO REALTY L.P.

By: VORNADO REALTY TRUST,
its general partner

By: /s/ Alan J. Rice
Name: Alan J. Rice
Title: Senior Vice President

[seal]

Attest:

/s/ Jay C. Beckoff
Jay C. Beckoff

THE BANK OF NEW YORK
Trustee:

By: /s/ Robert A. Massimillo
Name: Robert A. Massimillo
Title: Vice President

[seal]

Attest:

/s/ Mary K. Lagumina
Mary K. Lagumina

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 17th day of November, before me personally came Alan J. Rice to me known, who, being by me duly sworn, did depose and say that he is Senior Vice President of Vornado Realty Trust, a Maryland real estate investment trust described in and which executed the foregoing instrument; that he knows the seal of said trust; that the seal affixed to said instrument is such seal; that it was so affixed by authority of the Board of Trustees of said trust; and that he signed his name thereto by like authority.

/s/ Ilona Jacqueline Williams
Ilona Jacqueline Williams
Notary Public, State of New York
No. 01-WI604438
Qualified Richmond County
Commission Exp. July 3, 2010

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 17th day of November, before me personally came Alan J. Rice to me known, who, being by me duly sworn, did depose and say that he is Senior Vice President of Vornado Realty Trust, a Maryland real estate investment trust described in and which executed the foregoing instrument in its capacity as the general partner of Vornado Realty L.P.; that he knows the seal of said trust; that the seal affixed to said instrument is such seal; that it was so affixed by authority of the Board of Trustees of said trust; and that he signed his name thereto by like authority.

/s/ Ilona Jacqueline Williams
Ilona Jacqueline Williams
Notary Public, State of New York
No. 01-WI604438
Qualified Richmond County
Commission Exp. July 3, 2010

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 17th day of November, before me personally came Robert A. Massimillo, to me known, who, being by me duly sworn, did depose and say that he is Vice President of the Bank of New York , a corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation; and that he signed his name thereto by like authority.

/s/ Carlos R. Luciano
Carlos R. Luciano
Notary Public, State of New York
No. 41-4765897
Qualified In Queens County
Commission Exp. April 30, 2010

STATE OF NEW YORK) ss.:
STATE OF NEW YORK)

[\(Back To Top\)](#)

Section 3: EX-4.2 (EX-4)

Exhibit 4.2

(FACE OF SECURITY)

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE THEREOF. THIS SECURITY MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR A SECURITY REGISTERED, AND NO TRANSFER OF THIS SECURITY IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH DEPOSITARY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITARY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK 10041), A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED

REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

VORNADO REALTY TRUST

3.625% CONVERTIBLE SENIOR DEBENTURES DUE 2026

FULLY AND UNCONDITIONALLY GUARANTEED BY VORNADO REALTY L.P.

No. 1

\$500,000,000
CUSIP No. 929043AE7
ISIN No. US929043AE78

VORNADO REALTY TRUST, a real estate investment trust duly organized and existing under the laws of the State of Maryland (herein called the “Company”, which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to CEDE & CO., or its registered assigns, the principal sum of FIVE HUNDRED MILLION DOLLARS (\$500,000,000) on November 15, 2026, and to pay interest thereon from November 20, 2006, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually on May 15 and November 15 in each year, commencing on May 15, 2007, at the rate of 3.625% per annum, until the principal hereof is paid or made available for payment. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of

business on the Regular Record Date for such interest, which shall be the May 1 or November 1 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest so payable, but not punctually paid or duly provided for, on any Interest Payment Date will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture. Each payment of interest hereon shall include interest accrued from and including the preceding Interest Payment Date or the date of issuance, as the case may be, to and excluding the relevant Interest Payment Date or Maturity, as the case may be. This Security is a Security for purposes of the Indenture.

This Security is convertible as specified on the reverse of this Security.

This Security is a Guaranteed Security within the meaning of the Indenture.

Payment of the principal of (and premium, if any) and any such interest on this Security will be made at the office or agency of the Company maintained for that purpose in the Borough of Manhattan, The City and State of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; *provided, however*, that at the option of the Company payment of interest may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register and *provided, further*, that if this Security is a Global Security, payment may be made pursuant to the Applicable Procedures of the Depositary as permitted in said Indenture.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or the Guarantee of the Guarantor (as defined on the reverse hereof) or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company, has caused this instrument to be duly executed under its trust seal on behalf of the Company.

VORNADO REALTY TRUST

By: /s/ Alan J. Rice
Name: Alan J. Rice
Title: Senior Vice President

Attest:

/s/ Ilona J. Williams
Ilona J. Williams

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

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

Dated: November 20, 2006

THE BANK OF NEW YORK,
as Trustee

By: /s/ Robert A. Massimillo
Authorized Signatory

This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of November 20, 2006 (herein called the "Indenture", which term shall have the meaning assigned to it in such instrument), among the Company, Vornado Realty L.P. as Guarantor (herein called the "Guarantor", which term includes any successor guarantor under the Indenture) in respect of any Guaranteed Securities, and The Bank of New York, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Guarantor, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof, initially limited in aggregate principal amount to \$1,000,000,000, as such amount may be increased, but not by an amount in excess of \$150,000,000, solely as a result of the purchase of additional Securities pursuant to the underwriter's over-allotment option granted by the Company under the Underwriting Agreement, dated November 14, 2006 (the "Underwriting Agreement"), among the Company, the Guarantor and Banc of America Securities LLC, and, *provided* that the Company may from time to time, without notice to or the consent of the Holders of the Securities of this series, create and issue further Securities of this series (the "Additional Securities") having the same terms and ranking equally and ratably with the Securities of this series in all respects and with the same CUSIP number as the Securities of this series, or in all respects except for the payment of interest accruing prior to the Issue Date or except for the first payment of interest following the issue date of such Additional Securities; and *provided, further*, that no such Additional Securities may be issued unless fungible with the Securities then outstanding for United States Federal income tax purposes. Any Additional Securities will be consolidated and form a single series with the Securities and shall have the same terms as to status, redemption and otherwise as the Securities. Any Additional Securities may be issued pursuant to authorization provided by a resolution of the board of trustees of the Company, a supplement to the Indenture, or under an Officers' Certificate pursuant to the Indenture. The Indenture does not limit the aggregate principal amount of the Securities that may be issued thereunder.

Redemption Rights

The Company shall have the right to redeem for cash the Securities in whole or in part, at any time or from time to time, on or after November 18, 2011 upon not less than 30 nor more than 60 days' prior notice by mail to the registered Holders of the Securities, at 100% of the aggregate principal amount of the Securities, plus accrued and unpaid interest, if any, to the Redemption Date.

The Company shall not have the right to redeem the Securities prior to November 18, 2011 except to preserve the Company's status as a real estate investment trust. If the Company determines it is necessary to redeem the Securities in order to preserve the Company's status as a real estate investment trust, the Company will redeem

all of the Securities then outstanding at 100% of the principal amount of the Securities plus accrued and unpaid interest, if any, to the Redemption Date.

If less than all the Securities are to be redeemed, the Trustee shall select the Securities to be redeemed *pro rata* or by lot or by any other method the Trustee considers fair and appropriate. The Trustee shall make the selection at least 30 days but not more than 60 days before the Redemption Date from outstanding Securities not previously called for redemption. The Trustee may select for redemption portions of the principal amount of Securities that have denominations larger than \$1,000. Securities and portions of them the Trustee selects shall be in principal amounts at maturity of \$1,000 or an integral multiple of \$1,000. Provisions of the Indenture that apply to Securities called for redemption also apply to portions of Securities not called for redemption. The Trustee shall notify the Company promptly of the Securities or portions of Securities to be redeemed. If any Security selected for partial redemption is converted in part before termination of the conversion right with respect to the portion of the Security so selected, the converted portion of such Security shall be deemed to be the portion selected for redemption. Securities that have been converted during a selection of Securities to be redeemed may be treated by the Trustee as outstanding for the purpose of such selection.

At least 30 days but not more than 60 days before a Redemption Date, the Company shall mail a notice of redemption by first-class mail, postage prepaid, to each Holder of Securities to be redeemed.

Repurchase Rights

This Security shall be subject to purchase by the Company on each of November 15, 2011, November 15, 2016 and November 15, 2021 (each, a "Repurchase Date"), at the purchase price of 100% of the aggregate principal amount of the Securities plus, in each case, accrued and unpaid interest, if any, to but excluding the Repurchase Date (each, a "Repurchase", as applicable), at the option of the Holder hereof, upon:

- (1) delivery to the Paying Agent by the Holder of a written notice of repurchase in the form set forth below (a "Repurchase Notice") at any time from the opening of business on the date that is 60 Business Days prior to a Repurchase Date until the close of business on the fifth Business Day prior to such Repurchase Date stating:
 - (A) the certificate number of the Security which the Holder will deliver to be purchased;
 - (B) the portion of the principal amount which the Holder will deliver to be repurchased, which portion must be a principal amount of \$1,000 or an integral multiple thereof; and

- (C) that such Security shall be purchased as of the Repurchase Date pursuant to the terms and conditions specified in the Securities and the Indenture, and
- (2) delivery of such Security to the Paying Agent prior to, on or after the Repurchase Date (together with all necessary endorsements) at the offices of the Paying Agent, such delivery being a condition to receipt by the Holder of the Repurchase Price therefor; *provided, however*, that such Repurchase Price shall be so paid pursuant to this paragraph only if the Security so delivered to the Paying Agent shall conform in all respects to the description thereof in the related Repurchase Notice, as determined by the Company.

The Company shall purchase from the Holder hereof, pursuant to this paragraph and the terms of the Indenture, a portion of a Security if the principal amount of such portion is \$1,000 or an integral multiple of \$1,000.

Any repurchase contemplated by the Company shall be consummated by the delivery of the consideration to be received by the Holder (together with accrued and unpaid interest, if any) promptly following the later of the Repurchase Date and the time of delivery of this Security.

The Paying Agent shall promptly notify the Company of the receipt by it of any Repurchase Notice or written notice of withdrawal thereof.

A Holder may withdraw any Repurchase Notice by a written notice of withdrawal delivered to the Paying Agent prior to the close of business on the second Business Day prior to the Repurchase Date. The notice of withdrawal must state:

- the principal amount of the Securities being withdrawn from the Repurchase Notice;
- if certificated Securities have been issued, the certificate numbers of the withdrawn Securities, or if not certificated, the notice must comply with appropriate procedures of The Depository Trust Company or any successor depository for the Securities; and
- the principal amount, if any, which remains subject to the Repurchase Notice.

Holders must either effect book-entry transfer of the Securities or deliver the Securities, together with necessary endorsements, to the office of the Paying Agent after delivery of the Repurchase Notice to receive payment of the Repurchase Price. Holders will receive payment on the Repurchase Date or, in the case of a global security,

the time of book-entry transfer, or the delivery of the Securities. If the Paying Agent holds money or securities sufficient to pay the Repurchase Price of the Securities to which the Repurchase Notice relates on the Business Day following the Repurchase Date, then:

- such Securities will cease to be Outstanding;
- interest will cease to accrue on such Securities; and
- all rights as a Holder with respect to such Securities will terminate.

Repurchase at Option of Holders Upon a Change in Control

If there shall have occurred a Change in Control at any time prior to November 15, 2011, Holders of Securities shall have the right to require the Company to repurchase Securities not previously called for redemption, or any portion of the principal amount thereof, that is equal to \$1,000 or an integral multiple of \$1,000, at a cash purchase price equal to 100% of the principal amount of all Securities such Holders require the Company to repurchase, plus accrued and unpaid interest on those Securities to, but excluding, the Repurchase Date (such amount, the “Change in Control Purchase Price”), subject to satisfaction by or on behalf of the Holder of the requirements set forth in this Security and in the Indenture.

Within 15 days after the occurrence of a Change in Control, the Company shall mail a written notice of Change in Control by first-class mail to the Trustee and to each Holder (and to beneficial owners as required by applicable law and procedures of The Depository Trust Company or any successor depository) as provided in the Indenture.

A Holder may exercise its rights specified in this paragraph upon delivery of a written notice of purchase in the form set forth below (a “Change in Control Purchase Notice”) to the Paying Agent at any time prior to the close of business not more than 20 Business Days following the date of notice by the Company to Holders of the Change in Control, stating:

- (1) the certificate number of the Securities which the Holder will deliver to be purchased;
- (2) the principal amount of the Security which the Holder will deliver to be purchased, which must be \$1,000 or an integral multiple thereof; and
- (3) that such Security shall be purchased pursuant to the terms and conditions specified herein and in the Indenture.

The delivery of Securities to the Paying Agent prior to, on or after the Change in Control Purchase Date (together with all necessary endorsements) at the offices of the Paying Agent shall be a condition to the receipt by the Holder of the

Change in Control Purchase Price therefor; *provided, however*, that such Change in Control Purchase Price shall be so paid only if the Securities so delivered to the Paying Agent shall conform in all respects to the description thereof set forth in the related Change in Control Purchase Notice.

The Company shall purchase from the Holder thereof a portion of a Security if the principal amount of such portion is \$1,000 or an integral multiple of \$1,000.

The Paying Agent shall promptly notify the Company of the receipt by it of any Change in Control Purchase Notice.

Notwithstanding the foregoing, no Securities may be purchased by the Company at the option of a Holder upon a Change in Control if the principal amount of the Securities has been accelerated and such acceleration has not been rescinded on or prior to such date.

If a Change in Control occurs on or after November 15, 2011, no holder will have the right to require the Company to purchase any Securities except as provided in the Indenture and under "Repurchase Rights" above on the reverse of this Security.

Upon receipt by the Paying Agent of the Repurchase Notice or Change in Control Purchase Notice, a Holder of Securities in respect of which such Repurchase Notice or Change in Control Purchase Notice, as the case may be, was given shall (unless such Repurchase Notice is withdrawn as specified below) thereafter be entitled to receive solely the Repurchase Price or Change in Control Purchase Price, as the case may be, with respect to such Security. Such Repurchase Price or Change in Control Purchase Price shall be paid to such Holder, subject to receipt of funds and/or Securities by the Paying Agent or Conversion Agent, promptly following the later of (x) the Repurchase Date or the Change in Control Purchase Date, as the case may be, with respect to such Securities (provided the conditions set forth herein and in the Indenture for such payment are satisfied) and (y) the time of delivery of such Securities to the Paying Agent by the Holder thereof in the manner required herein. Securities in respect of which a Repurchase Notice or Change in Control Purchase Notice, as the case may be, has been given by the Holder thereof may not be converted on or after the date of the delivery of such Repurchase Notice or Change in Control Purchase Notice, as the case may be, unless, solely in the case of a Repurchase Notice, it has first been validly withdrawn as specified below.

A Repurchase Notice may be withdrawn by means of a written notice of withdrawal delivered to the office of the Paying Agent prior to the close of business on the second Business Day prior to the Repurchase Date specifying:

- (1) the certificate number of the Security in respect of which such notice of withdrawal is being submitted;
- (2) the principal amount of the Security with respect to which such notice of withdrawal is being submitted;
and

- (3) the principal amount of such Security which remains subject to the original Purchase Notice or and which has been or will be delivered for purchase by the Company.

Make Whole Amount

If a transaction described in clause (1) or clause (2) of the definition of Change in Control occurs on or prior to November 15, 2011, and a Holder elects to convert its Securities in connection with such transaction, the Company will increase the applicable Conversion Rate for the Securities surrendered in order to provide for conversion into a number of Additional Shares of the Company as described below. A conversion of Securities shall be deemed for these purposes to be “in connection with” such a Change in Control if the notice of conversion of the Securities is received by the Conversion Agent on or after the 15th Business Day prior to the anticipated effective date of the Change in Control and on or prior to the fifth Business Day following the effective date of the Change in Control (or, if earlier and to the extent applicable, the close of business on the second Trading Day immediately preceding the day on which the Company is required to repurchase Securities upon a Change in Control.

The number of Additional Shares will be determined by reference to the table below and is based on the date on which such Change in Control transaction becomes effective (the “effective date”) and the price (the “stock price”) paid per Common Share in such transaction. If the holders of Common Shares receive only cash in the Change in Control transaction, the stock price shall be the cash amount paid per share. Otherwise the stock price shall be the average of the closing sale prices of Common Shares on the 10 Trading Days up to but excluding the effective date.

The stock prices set forth in the first row of the table (i.e., the column headers) will be adjusted as of any date on which the Conversion Rate of the Securities is adjusted. The adjusted stock prices will equal the stock prices applicable immediately prior to such adjustment multiplied by a fraction, the numerator of which is the Conversion Rate immediately prior to the adjustment giving rise to the stock price adjustment and the denominator of which is the Conversion Rate as so adjusted. The right to receive the Additional Shares will be subject to adjustment in the same manner as the Conversion Rate.

The following table sets forth the stock price and number of Additional Shares to be received per \$1,000 principal amount of Securities:

Effective Date	Stock Price														
	<u>\$118.04</u>	<u>\$130.00</u>	<u>\$140.00</u>	<u>\$153.45</u>	<u>\$165.00</u>	<u>\$175.00</u>	<u>\$185.00</u>	<u>\$200.00</u>	<u>\$215.00</u>	<u>\$230.00</u>	<u>\$245.00</u>	<u>\$260.00</u>	<u>\$275.00</u>	<u>\$300.00</u>	<u>\$325.00</u>
November 20, 2006	1.95	1.48	1.18	0.88	0.69	0.56	0.48	0.37	0.30	0.24	0.20	0.17	0.15	0.12	0.10
November 15, 2007	1.95	1.44	1.11	0.81	0.62	0.51	0.42	0.31	0.24	0.19	0.16	0.13	0.11	0.09	0.08
November 15, 2008	1.95	1.40	1.06	0.74	0.54	0.45	0.35	0.25	0.18	0.14	0.12	0.10	0.08	0.07	0.06
November 15, 2009	1.95	1.36	1.03	0.67	0.48	0.36	0.25	0.16	0.12	0.09	0.07	0.06	0.05	0.04	0.03
November 15, 2010	1.95	1.34	0.96	0.59	0.37	0.22	0.14	0.07	0.04	0.02	0.02	0.01	0.01	0.01	0.01
November 15, 2011	1.95	1.29	0.93	0.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

The exact stock prices and effective dates may not be set forth in the table, in which case:

- (1) if the stock price is between two stock price amounts in the table or the effective date is between two dates in the table, the additional shares will be determined by straight-line interpolation between the number of Additional Shares set forth for the higher and lower stock price amounts and the two dates, as applicable, based on a 365-day year;
- (2) if the stock price is equal to or in excess of \$325.00 per share (subject to adjustment), no Additional Shares will be issued upon conversion; and
- (3) if the stock price is less than \$118.04 per share (the closing sale price of Common Shares on November 15, 2006) (subject to adjustment), no Additional Shares will be issued upon exchange.

Notwithstanding the foregoing, in no event will the total number of Common Shares issuable upon conversion exceed 8.4717 per \$1,000 principal amount of Securities, subject to adjustment in the same manner as the Conversion Rate.

Conversion Settlement

A Holder of Securities may, subject to the restrictions on ownership of Common Shares set forth in the Company's Declaration of Trust and the conditions described herein and in the Indenture, convert Securities for cash, Common Shares, if any, or a combination thereof, at the Company's election, based on the Conversion Rate in effect at the time of conversion (6.5168 Common Shares per \$1,000 principal amount of Securities on November 20, 2006).

Upon conversion of the Securities, the Company will deliver, in respect of each \$1,000 principal amount of Securities tendered for conversion:

- cash in an amount (the "principal return") equal to the lesser of (a) the principal amount of Securities surrendered for conversion and (b) the conversion value, and
- if the conversion value is greater than the principal return, an amount (the "net amount") in cash or Common Shares, as determined by the Company, with an aggregate value equal to the difference between the conversion value and the principal return.

The Company may elect to deliver any portion of the net amount in cash (the "net cash amount") or Common Shares, and any portion of the net amount the Company delivers in Common Shares (the "net shares") will be the sum of the daily share amounts (calculated as described below) for each Trading Day during the

applicable conversion period. Prior to the close of business on the second Trading Day following the date on which Securities are tendered for conversion, the Company will, by notice to the Trustee, inform Holders of such Securities of its election to pay cash for all or a portion of the net amount and, if applicable, the portion of the net amount that will be paid in cash and the portion that will be delivered in the form of net shares, unless the Company has previously informed such Holder of such election in a Notice of Redemption for Securities.

The Company will deliver cash in lieu of any fractional Common Shares issuable in connection with payment of the net shares based upon the average price.

The “conversion value” for each \$1,000 principal amount of Securities is equal to (a) the applicable Conversion Rate, multiplied by (b) the average price.

The “applicable conversion period” means the 10 consecutive Trading-Day period commencing on the third Trading Day following the date the Securities are tendered for conversion.

The “average price” is equal to the average of the closing sale prices of Common Shares for each Trading Day in the applicable conversion period.

The “daily share amount” for each \$1,000 principal amount of Securities and each Trading Day in the applicable conversion period is equal to the greater of:

zero; and

a number of Common Shares determined by the following formula:

$$\frac{(\text{closing sale price of Common Shares on such Trading Day} \times \text{applicable Conversion Rate}) - (\$1,000 + \text{net cash amount, if any})}{10 \times \text{closing sale price of Common Shares on such Trading Day}}$$

The conversion value, principal return, net amount, net cash amount and the number of net shares, as applicable, shall be determined by the Company promptly after the end of the applicable conversion period. The Company will pay the principal return and cash in lieu of fractional shares, and deliver net shares or pay the net cash amount, as applicable, no later than the third Business Day following the last Trading Day of the applicable conversion period.

Conversion Rights

No fractional Common Shares will be delivered upon conversion of the Securities. Instead, the Company will pay the cash value of such fractional shares in connection with such settlement based upon the closing sale price of Common Shares on the Trading Day immediately preceding the Conversion Date.

If a Security has been called for redemption, Holders will be entitled to convert such Security from the date of notice of the redemption until the close of business on the second Business Day immediately preceding the Redemption Date. The right to convert will expire at that time, unless the Company defaults in making the payment due upon redemption. A Holder may convert fewer than all of such Holder's Securities so long as the Securities converted are an integral multiple of \$1,000 principal amount.

Upon surrender of a Security for conversion into Common Shares, such Holder shall deliver to the Company cash equal to the amount that the Company is required to deduct and withhold under applicable law in connection with the conversion; *provided, however*, if the Holder does not deliver such cash, the Company may deduct and withhold from the amount of cash otherwise deliverable to such Holder the amount required to be deducted and withheld under applicable law (and not otherwise delivered by the Holder in cash).

Holders may surrender their Securities for conversion for cash, Common Shares, if any, or a combination of cash and Common Shares, at the option of the Company, at the applicable Conversion Rate prior to the second Business Day immediately prior to Stated Maturity at any time on or after November 15, 2025 and also under any of the following circumstances:

- (1) *Conversion Upon Satisfaction of Market Price Condition.* A Holder may surrender any of its Securities during any Measurement Period if the closing sale prices of Common Shares on the principal national securities exchange on which the Common Shares are listed, for a period of at least 20 Trading Days beginning on the first day of such Measurement Period is more than 125% of the Conversion Price per share of Common Shares on the first day of such Measurement Period. If an event requiring adjustment of the Conversion Rate shall have occurred during the period of 30 consecutive Trading Days beginning on the first day of such Measurement Period, the closing sale price of Common Shares on each Trading Day of such period elapsing prior to the occurrence of the event shall be deemed for purposes of the calculation described in the previous sentence to have been appropriately adjusted to reflect the occurrence of the event.

A Holder may surrender any of its Securities for conversion into Common Shares at any time after November 15, 2025. In such event, the holder may convert any of its Securities into Common Shares at any time thereafter prior to the close of business on the second Business Day immediately prior to the Stated Maturity of the Securities.

The Conversion Agent shall, on behalf of the Company,

determine daily if the Securities are convertible as a result of the closing sale price of Common Shares and notify the Company and the Trustee.

- (2) *Conversion Upon Satisfaction of Trading Price Condition.* A Holder may surrender any of its Securities for conversion during the five consecutive Trading Day period following any 20 consecutive Trading Days in which the average of the trading prices (as determined following a request by a holder of the Securities) for a Security during such 20 consecutive Trading-Day period was less than 98% of the average closing sale price of Common Shares for such period, multiplied by the applicable Conversion Rate for such period. Common Shares will be valued at 100% of the average closing sale prices for the 20 consecutive Trading Days preceding the Conversion Date.
- (3) *Conversion Upon Notice of Redemption.* A Holder may surrender for conversion any of the Securities called for redemption at any time prior to the close of business two Business Days prior to the Redemption Date, even if the Securities are not otherwise convertible at such time. However, if a Holder has already delivered a Repurchase Notice or a Change in Control Purchase notice with respect to a Security, the Holder may not surrender that Security for conversion until, in the case of a Repurchase Notice, the Holder has withdrawn the notice in accordance with the procedures set forth in the Indenture.
- (4) *Conversion Upon Specified Transactions.* If the Company elects to:
 - (A) distribute to all holders of Common Shares rights entitling them to purchase, for a period expiring within 60 days, Common Shares at less than the closing sale price of Common Shares on the Trading Day immediately preceding the declaration of the distribution; or
 - (B) distribute to all holders of Common Shares the Company's assets, debt securities or rights to purchase the Company's securities, which distribution has a per share value exceeding 15.0% of the closing sale price of Common Shares on the Trading Day immediately preceding the declaration date for such distribution,

the Company shall notify the Holders of the Securities in writing at least 20 days prior to the ex-dividend date for such distribution. Following the issuance of such notice, Holders may surrender their Securities for conversion at any time until the earlier of the close of business on the Business Day prior to the ex-dividend date or the Company's announcement that such distribution will not take place; *provided, however*, that a Holder may not exercise this right to convert if the Holder may participate, on an as-converted basis, in the distribution without conversion of the Securities. The ex-dividend date for purposes of the foregoing is the first date upon which a sale of the Common Shares does not automatically transfer the right to receive the relevant distribution from the seller of Common Shares to its buyer.

- (5) *Conversion Upon Delisting of Common Shares.* A Holder of Securities may surrender any of its Securities for conversion into Common Shares at the applicable Conversion Rate if the Common Shares are not listed on a U.S. national securities exchange for 30 consecutive Trading Days.

The Securities may also be converted in accordance with the other provisions of the Indenture setting forth the circumstances in which the Securities may be converted.

Conversion Procedures

A Holder will not receive any cash payment representing accrued interest upon conversion of a Security. Instead, upon conversion the Company will deliver to tendering Holders cash, a fixed number of Common Shares, if any, and any cash payment to account for fractional shares. The cash payment for fractional shares in connection with a conversion settled in Common Shares will be based on the closing sale price of Common Shares on the trading day immediately prior to the Conversion Date. Delivery of cash and Common Shares, if any, will be deemed to satisfy the Company's obligation to pay the principal amount of the Securities, including any accrued and unpaid interest. Accrued and unpaid interest will be deemed paid in full rather than canceled, extinguished or forfeited. In no event will the Company adjust the Conversion Rate to account for the accrued interest.

Upon conversion of a Security, the Company will pay any documentary stamp or similar issue or transfer tax due on the issue of Common Shares, if any, unless the tax is due because the Holder requests the shares to be issued or delivered to a person other than the registered Holder, in which case the Holder must pay the tax prior to the delivery of the Common Shares. Certificates representing Common Shares will not be

issued or delivered unless all taxes and duties, if any, payable by the Holder have been paid.

Securities tendered for conversion after a Record Date for an interest payment but prior to the corresponding Interest Payment Date will receive on the Interest Payment Date interest accrued on those Securities, notwithstanding the conversion of Securities prior to the Interest Payment Date. Notwithstanding the foregoing, a Holder that surrenders for conversion a Security during such period must pay to the Company an amount equal to the interest that has accrued and that will be paid on the Securities being converted on the Interest Payment Date, unless such Securities are surrendered for conversion after being called for redemption after a Record Date for an Interest Payment Date or that are surrendered for conversion after the last Record Date for the payment of interest on the Securities. If in such an event prior to the Redemption Date a Holder elects to exchange Securities, such Holder will not be required to pay at the time of surrender of Securities for conversion the amount of interest on the Securities that it will receive on the date that has been fixed for redemption.

Except as set forth in the Indenture, no other payment or adjustment for interest, or for any dividends in respect of Common Shares, will be made upon conversion of Securities. Holders of Common Shares issued upon exchange will not be entitled to receive any dividends payable to holders of Common Shares as of any record time or date before the close of business on the Conversion Date.

In order to exercise its conversion right, a Holder must deliver an irrevocable conversion notice, in the form attached hereto together with the certificated Security, to the Conversion Agent who will, on behalf of the Holder, convert the Securities into Common Shares, cash or a combination of cash and Common Shares.

The initial Conversion Rate is 6.5168 Common Shares for each \$1,000 principal amount of Securities and shall be subject to adjustment at the times and in the manner provided in the Indenture. The initial Conversion Price is \$153.45 per Common Share and shall be subject to adjustment at the times and in the manner provided in the Indenture.

No adjustment in the applicable Conversion Price will be required unless the adjustment would require an increase or decrease of at least 1% of the applicable Conversion Price. If the adjustment is not made because the adjustment does not change the applicable Conversion Price by more than 1%, then the adjustment that is not made will be carried forward and taken into account in any future adjustment. All required calculations will be made to the nearest cent or 1/1000th of a share, as the case may be. Notwithstanding the foregoing, if the Securities are called for redemption, all adjustments not previously made will be made on the applicable Redemption Date. Except as specifically described in the Indenture, the applicable Conversion Price will not be subject to adjustment in the case of the issuance of any Common Shares or preferred shares of the Company, or securities convertible into or convertible for Common Shares or preferred shares of the Company.

Ownership Limit

No Holder of Securities shall be entitled to exchange such Securities for Common Shares to the extent that receipt of such shares would cause such Holder (together with such Holder's affiliates) to exceed the ownership limit contained in the Company's Declaration of Trust as in effect from time to time.

Satisfaction and Discharge of Indenture

The Company may not discharge a Holder's rights to exchange Securities in accordance with the terms of these Securities and the Indenture or to have registered the transfer or exchange of Securities in accordance with the terms of the Indenture.

Miscellaneous

If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company, the Guarantor and the Trustee with the consent of the Holders of a majority in principal amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions (i) permitting the Holders of not less than a majority in principal amount of the Securities of any series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company or the Guarantor, as the case may be, with certain provisions of the Indenture with respect to such series and (ii) permitting the Holders of a majority in principal amount of the Securities at the time Outstanding of any series to be affected under the Indenture (with each such series considered separately for this purpose), on behalf of the Holders of all Securities of such series, to waive certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

As provided in and subject to the provisions of the Indenture, the Holder of this Security shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or Trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default with respect to the Securities of this series, the Holders of not less than 25% in principal amount of the Securities of this series at the time Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee reasonable indemnity, and the Trustee shall not have received from the Holders of a majority in principal

amount of Securities of this series at the time Outstanding a direction inconsistent with such request, and shall have failed to institute any such proceeding, for 60 days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted by the Holder of this Security for the enforcement of any payment of principal hereof or any premium or interest hereon on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any premium and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

Notwithstanding any other provision of this Security or the Indenture to the contrary, no recourse shall be had, whether by levy or execution or otherwise, for the payment of any sums due under this Security, including, without limitation, the principal of, premium, if any, or interest payable under this Security, or for the payment or performance of any obligation, covenant or agreement under, or for any claim based on, this Security or the Indenture or otherwise in respect of this Security or the Indenture, against any principal, shareholder, officer, director, Trustee or employee of the Company or any successor thereto, under any rule of law, statute or constitution, or by the enforcement of any assessment or penalty or by any legal or equitable proceeding or otherwise, nor shall any of such parties be personally liable for any such amounts, obligations or claims, or liable for any deficiency judgment based thereon or with respect thereto, it being expressly understood that the sole remedies hereunder or under any other document with respect to the Securities against such parties with respect to such amounts, obligations or claims shall be against the Company and that all such liability of such parties is and is to be, by the acceptance hereof, expressly waived and released by the acceptance of the Securities by the Holders and as part of the consideration for the issue of the Securities.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of and any premium and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

Any headings set forth herein are for convenience only and shall not affect the construction hereof.

The Securities of this series are issuable only in registered form without coupons in denominations of \$1,000 and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are convertible for a like aggregate principal amount of Securities of this series and of like

tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

This Security is a Guaranteed Security within the meaning of, and is subject to the provisions applicable to Vornado Realty L.P., as Guarantor thereof contained in, the Indenture. Reference is made to Article Fourteen of the Indenture and to the Guarantee endorsed on this Security for a statement of the respective rights, duties and obligations thereunder of the Guarantor, the Trustee and the Holders.

This Security is a Global Security and is subject to the provisions of the Indenture relating to Global Securities, including the limitations in Section 305 thereof on transfers and exchanges of Global Securities.

Interest on the principal balance of this Security shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The calculation of the Repurchase Price, Change in Control Purchase Price, Conversion Rate, Conversion Price and each other calculation to be made in respect of the Securities shall be the obligation of the Company. All calculations made by the Company or its agent as contemplated pursuant to the terms of the Indenture and these Securities shall be final and binding on the Company and the Holders absent manifest error. The Trustee, Paying Agent and Conversion Agent shall not be obligated to recalculate, recompute or confirm any such calculations except as the agent of the Company in accordance with the Indenture or these Securities.

The Trustee may make reasonable rules for action by or a meeting of Holders of Securities. The Conversion Agent and the Paying Agent may make reasonable rules for their functions.

The Company shall not be obligated to redeem or purchase any Security pursuant to any sinking fund or analogous provision, or at the option of any Holder hereof, except as provided herein and in the Indenture.

The Bank of New York is the Paying Agent and the Security Registrar for the Securities. The Security Register for the Securities will be maintained by the Security Registrar in the Borough of Manhattan, The City of New York.

THIS SECURITY AND THE INDENTURE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

ASSIGNMENT FORM

To assign this Security, fill in the form below:

I or we assign and transfer this Security to

(Insert assignee's soc. sec. or tax ID no.)

(Print or type assignee's name, address and zip code)

and irrevocably appoint _____ agent to transfer this Security on the books of the Company. The agent may substitute another to act for him.

Date: _____

Signature Guaranteed

Participant in a Recognized Signature Guarantee Medallion Program

By: _____

Authorized Signatory

CONVERSION NOTICE

To convert this Security into Cash and Common Stock, if any, of the Company, check the box

To convert only part of this Security, state the principal amount to be converted (which must be \$1,000 or an integral multiple of \$1,000):

If you want the stock certificate made out in another person's name fill in the form below:

(Insert the other person's soc. sec. or tax ID no.)

(Print or type other person's name, address and zip code)

Your Signature: _____

(Sign exactly as your name appears on the other side of this Security)

FORM OF REPURCHASE NOTICE

To: Vornado Realty Trust

The undersigned registered holder of this Security requests and instructs the Company to repurchase this Security, or the portion hereof (which is \$1,000 principal amount or a multiple thereof) designated below, on the date specified below, in accordance with the terms and conditions referred to in this Security and the Indenture referred to in this Security and directs that the check in payment for this Security or the portion thereof and any Securities representing the portion of principal amount hereof not to be so repurchased, be issued and delivered to the registered holder hereof unless a different name has been indicated below. If any portion of this Security not repurchased is to be issued in the name of a Person other than the undersigned, the undersigned shall pay all transfer taxes payable with respect thereto.

Dated:

Signature(s)

Fill in for registration of Securities not repurchased if to be issued other than to and in the name of registered holder:

(Name)

(Street Address)

(City, state and zip code)

Please print name and address

principal amount to be repurchased (if less than all): \$,000

date of requested repurchase: , 20

(specify either 2011, 2016, 2021 or 2025)

Certificate Number:



FORM OF OPTION TO ELECT REPURCHASE
UPON A CHANGE IN CONTROL

To: Vornado Realty Trust

The undersigned registered holder of this Security hereby acknowledges receipt of a notice from Vornado Realty Trust (the "Company") as to the occurrence of a Change in Control with respect to the Company and requests and instructs the Company to repurchase this Security, or the portion hereof (which is \$1,000 principal amount or a multiple thereof) designated below, in accordance with the terms of this Security and the Indenture referred to in this Security and directs that the payment for this Security or the portion thereof and any Securities representing any unredeemed principal amount hereof, be issued and delivered to the registered holder hereof unless a different name has been indicated below. If any portion of this Security not repurchased is to be issued in the name of a Person other than the undersigned, the undersigned shall pay all transfer taxes payable with respect thereto.

Dated:

Signature(s)

Fill in for registration of Securities not repurchased if to be issued other than to and in the name of registered holder:

(Name)

(Street Address)

(City, state and zip code)

Please print name and address

principal amount to be repurchased (if less than all): \$ _____,000

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Section 4: EX-4.3 (EX-4)

Exhibit 4.3

GUARANTEE

For value received, the undersigned hereby fully and unconditionally guarantees to the Holder of this Security the cash payments in United States dollars of principal of and interest on this Security in the amounts and at the time when due and interest on the overdue principal and interest, if any, on this Security, if lawful, and the payment of all other obligations of the Company under the Indenture or the Security, to the Holder of this Security and the Trustee, all in accordance with and subject to the terms and limitations of this Security, Article Fourteen of the Indenture and this Guarantee. This Guarantee shall be unsecured and unsubordinated indebtedness of the Guarantor and rank equally with other unsecured and unsubordinated indebtedness of the Guarantor that is currently outstanding or that it may issue in the future. This Guarantee will become effective in accordance with Article Fourteen of the Indenture and its terms shall be evidenced therein. The validity and enforceability of any Guarantee shall not be affected by the fact that it is not affixed to any particular Security. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Indenture, dated as of November 20, 2006, by and among the Company, the undersigned and The Bank of New York, as Trustee, as amended or supplemented (the "Indenture").

The obligations of the undersigned to the Holders of this Security and to the Trustee pursuant to this Guarantee and the Indenture are expressly set forth in Article Fourteen of the Indenture and reference is hereby made to the Indenture for the precise terms of the Guarantee and all of the other provisions of the Indenture to which this Guarantee relates.

Neither any limited or general partner of the Guarantor, including Vornado Realty Trust in its capacity as general partner, nor any principal, shareholder, officer, director, trustee or employee of any limited or general partner of the Guarantor or of any successor of any limited or general partner of the Guarantor has any obligation for payment of the Guarantor's obligations under the guarantee or for any of the Guarantor's obligations, covenants or agreements contained in this Guarantee or the Indenture. By accepting the Securities on which this Guarantee is endorsed and this Guarantee, you waive and release all liability of this kind. The waiver and release are part of the consideration for the issuance of this Guarantee.

THIS GUARANTEE WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.

This Guarantee is subject to release upon the terms set forth in the Indenture.

IN WITNESS WHEREOF, the undersigned Guarantor has caused this Guarantee to be duly executed.

Dated: November 26, 2006

VORNADO REALTY L.P.

By: VORNADO REALTY TRUST,
its sole general partner

By: /s/ Alan J. Rice

Name: Alan J. Rice

Title: Senior Vice President

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Section 5: EX-4.4 (EX-4)

Exhibit 4.4

EXCERPT FROM OFFICERS' CERTIFICATE UNDER INDENTURE

FURTHER RESOLVED, that the Company shall issue and sell to the Underwriters \$1,000,000,000 aggregate principal amount of 3.625% Convertible Senior Debentures due 2026 at a price equal to 98.00% of the aggregate principal amount thereof plus accrued interest, if any, from November 20, 2006, if settlement occurs after that date; and it is

FURTHER RESOLVED, that the Company has granted to Bank of America Securities, LLC an option to purchase up to an additional \$150,000,000 aggregate principal amount of 3.625% Convertible Senior Debentures at a price equal to 98.00% of the aggregate principal amount thereof, plus accrued interest, if any, from November 20, 2006, solely to cover over-allotments; and it is

FURTHER RESOLVED, that the Company has caused the Operating Partnership to guarantee the Debentures on the terms set forth herein; and it is

FURTHER RESOLVED, that there is hereby approved and established a series of Debt Securities under the Indenture whose terms are as follows:

- (a) The Securities of such series are known as the "3.625% Convertible Senior Debentures due 2026" of the Company (the "Debentures").
 - (b) The Debentures are unsecured and rank equally among themselves and with all of the Company's other unsecured and unsubordinated indebtedness.
 - (c) The aggregate principal amount of the Security of such series which may be authenticated and delivered under the Indenture is initially limited in aggregate principal amount to \$1,000,000,000, as such amount may be increased, but not by an amount in excess of \$150,000,000, solely as a result of the purchase of additional Debentures pursuant to the underwriter's over-allotment option granted by the Company under the Underwriting Agreement, except for Debentures authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Debentures pursuant to Section 304, 305, 306, 906, 1107 or 1203 of the Indenture and except for any Debentures which, pursuant to Section 303 of the Indenture, are deemed never to have been authenticated and delivered thereunder; *provided* that the Company may from time to time, without notice to or the consent of the Holders of the Securities of this series, create and issue further Securities of this series (the "Additional Securities") having the same terms and ranking equally and ratably with the Securities of this series in all respects and with the same CUSIP number as the Securities of this series, or in all respects except for the payment of interest accruing prior to the Issue Date or except for the first payment of interest following the issue date of such Additional
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Securities; and provided that no such Additional Securities may be issued unless fungible with the Debentures then outstanding for United States federal income tax purposes. Any Additional Securities will be consolidated and form a single series with the Securities and shall have the same terms as to status, redemption and otherwise as the Securities. Any Additional Securities may be issued pursuant to authorization provided by a resolution of the Board of Trustees of the Company, the Pricing Committee, a supplement to the Indenture, or under an Officers' Certificate pursuant to the Indenture.

- (d) The Debentures shall be issued only in registered form without coupons in denominations of \$1,000 original principal amount and any integral multiple of \$1,000 above that amount.
- (e) The Debentures shall be issuable in the form of one or more Global Securities registered in the name of The Depository Trust Company's nominee, and shall be deposited with, or on behalf of, The Depository Trust Company, New York, New York ("DTC"). The Debentures may be surrendered for registration of transfer and for exchange at the office or agency of the Company or of the Trustee maintained for such purpose in the Borough of Manhattan, The City of New York, or at any other office or agency maintained by the Company or the Trustee for such purpose.
- (f) The Stated Maturity of the principal of the Debentures shall be November 15, 2026.
- (g) The Debentures shall bear interest at the rate of 3.625% per annum from November 20, 2006 or from the most recent Interest Payment Date to which interest has been paid or duly provided for, as the case may be, payable semi-annually on May 15 and November 15 of each year, commencing on May 15, 2007, until the principal thereof is paid or made available for payment, to the Persons in whose name such Debentures (or any Predecessor Debentures) are registered at the close of business on the Regular Record Date (or in the case of Defaulted Interest, the Special Record Date) next preceding the Interest Payment Date. Each May 15 and November 15 shall be an Interest Payment Date for the Debentures, and May 1 and November 1 (whether or not a Business Day), as the case may be, next preceding an Interest Payment Date shall be the Regular Record Date for the interest payable on such Interest Payment Date. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months.
- (h) The principal of, and the interest on, the Debentures shall be payable at the office or agency of the Company or the Trustee maintained for such purpose in the Borough of Manhattan, The City of New York, as set forth

in the form of Debenture attached hereto as Annex A; *provided, however*, that at the option of the Company payment of interest may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register; and *provided, further*, that if the Debenture is in the form of a Global Security, payment may be made pursuant to the applicable procedures of the Depository.

- (i) *Guarantee.* The Debentures are fully and unconditionally guaranteed by the Operating Partnership as to all payments due on the Debentures whether at their stated maturity date, by acceleration, redemption, repayment or otherwise in accordance with the terms of such guarantee and the Indenture. In the case of the failure of the Company to pay punctually any principal, premium or interest on the Debentures, the Operating Partnership will cause any such payment to be made as it becomes due and payable, whether at maturity, upon acceleration, redemption, repayment or otherwise.

The Guarantee shall be unsecured and unsubordinated indebtedness of the Operating Partnership and rank equally with other unsecured and unsubordinated indebtedness of the Operating Partnership that is currently outstanding or that it may issue in the future. The Guarantee shall be subject to the terms set forth in Article 14 of the Indenture and the form of Debentures approved pursuant to these resolutions.

- (j) *Redemption Rights.* The Debentures shall be redeemable in whole or in part in accordance with Article Eleven of the Indenture except as modified herein and in the form of Debenture attached as Annex B hereto. Any election by the Company to redeem the Debentures shall be evidenced by a resolution of the Board of Trustees of the Company or the Pricing Committee.

The Company shall not have the right to redeem any Debentures prior to November 18, 2011, except to preserve the Company's status as a real estate investment trust. If the Company determines it is necessary to redeem the Debentures in order to preserve the Company's status as a real estate investment trust, the Company will redeem all of the Debentures then outstanding at 100% of the principal amount of the Debentures plus accrued and unpaid interest, if any, to the Redemption Date. In such case, the Company shall provide the Trustee with an Officers' Certificate evidencing that the Board of Trustees of the Company has, in good faith, made the determination that it is necessary to redeem the Debentures in order to preserve the Company's status as a real estate investment trust.

The Company shall have the right to redeem for cash the Debentures in whole or in part, at any time or from time to time, on or after

November 18, 2011 upon not less than 30 nor more than 60 days' prior notice by mail to the registered holders of the Debentures, at 100% of the aggregate principal amount of the Debentures, plus accrued and unpaid interest, if any, to but excluding the Redemption Date.

If less than all of the outstanding Debentures are to be redeemed, the Trustee shall select the Debentures to be redeemed *pro rata* or by lot or by any other method the Trustee considers fair and appropriate. The Trustee shall make the selection at least 30 days but not more than 60 days before the Redemption Date from outstanding Debentures not previously called for redemption. Debentures and portions of them the Trustee selects shall be in Principal Amounts at Maturity of \$1,000 or an integral multiple of \$1,000. Provisions of this Indenture that apply to the redemption of Debentures called for redemption apply to portions of Debentures not called for redemption. The Trustee shall notify the Company promptly of the Debentures or portions of Debentures to be redeemed. If any Debenture selected for partial redemption is converted in part before termination of the conversion right with respect to the portion of the Debenture so selected, the converted portion of such Debenture shall be deemed to be the portion selected for redemption. Debentures that have been converted during a selection of Debentures to be redeemed may be treated by the Trustee as outstanding for the purpose of such selection.

In the event of any redemption in part, the Company will not be required to: (a) issue or register the transfer or exchange of any Debenture during a period beginning at the opening of business 15 Business Days before any selection of Debentures for redemption and ending at the close of business on the earliest date on which the relevant notice of redemption is deemed to have been given to all holders of Debentures to be so redeemed, or (b) register the transfer or exchange of any Debenture so selected for redemption, in whole or in part, except the unredeemed portion of any Debenture being redeemed in part.

At least 30 days but not more than 60 days before a Redemption Date, the Company shall mail a notice of redemption by first-class mail, postage prepaid, to each Holder of Debentures to be redeemed.

The notice shall identify the Debentures to be redeemed and shall state:

- (1) the Redemption Date;
- (2) the Redemption Price and accrued and unpaid cash interest, if any, payable on the Redemption Date;
- (3) the Conversion Rate;

- (4) the name and address of the Paying Agent and Conversion Agent;
- (5) that Debentures called for redemption may be converted at any time before the close of business on the second Business Day immediately preceding the Redemption Date, even if not otherwise convertible at such time;
- (6) that Holders who want to convert Debentures must satisfy the requirements set forth herein and as set forth under “Conversion Procedures” in the form of Debenture;
- (7) that Debentures called for redemption must be surrendered to the Paying Agent to collect the Redemption Price and accrued and unpaid interest, if any;
- (8) if fewer than all the outstanding Debentures are to be redeemed, the certificate number and Principal Amounts at Maturity of the particular Debentures to be redeemed;
- (9) that, unless the Company defaults in making payment of such Redemption Price and any cash interest which is due and payable, interest will cease to accrue on and after the Redemption Date;
- (10) the CUSIP number of the Debentures;
- (11) in the case of redemption prior to November 18, 2011 necessary to preserve the Company’s status as a real estate investment trust, a copy of the Officers’ Certificate described in the second paragraph of this paragraph (j); and
- (12) any other information the Company wants to present.

Once notice of redemption is given, Debentures called for redemption become due and payable on the Redemption Date and at the Redemption Price (together with accrued and unpaid interest, if any, to the date of redemption) stated in the notice except for Debentures which are converted in accordance with the terms of the Debentures and the Indenture. Upon surrender to the Paying Agent, such Debentures shall be paid at the Redemption Price (together with accrued and unpaid interest, if any, to the date of redemption) stated in the notice.

At the time notice of redemption is given, the Company will issue a press release through Dow Jones & Company, Inc., Bloomberg Business News,

the Company's website, or through such other means or combination of means used by the Company to disseminate information to the public, stating (i) that Debentures called for redemption must be received by the Paying Agent no later than the close of business on the second Business Day immediately preceding the Repurchase Date, (ii) the Debentures' certificate number; (iii) the portion of the principal amount of Debentures to be repurchased, in multiples of \$1,000; and (iv) that the Debentures are to be repurchased by the Company pursuant to the applicable provisions of the Debentures.

- (k) *Repurchase Rights.* Debentures shall be purchased by the Company in accordance with the terms hereof and as set forth under "Repurchase Rights" in the form of Debenture on each of November 15, 2011, November 15, 2016 and November 15, 2021 (each, a "Repurchase Date"), at the purchase price of 100% of the aggregate principal amount of the Debentures plus, in each case, accrued and unpaid interest, if any, to but excluding the Repurchase Date (each, a "Repurchase", as applicable), at the option of the Holder thereof, upon:
- (1) delivery to the Paying Agent by the Holder of a written notice of repurchase (a "Repurchase Notice") at any time from the opening of business on the date that is 60 Business Days prior to a Repurchase Date until the close of business on the fifth Business Day prior to such Repurchase Date stating:
 - (A) the certificate number of the Debenture which the Holder will deliver to be purchased;
 - (B) the portion of the principal amount which the Holder will deliver to be repurchased, which portion must be a principal amount of \$1,000 or an integral multiple thereof; and
 - (C) that such Debenture shall be purchased as of the Repurchase Date pursuant to the terms and conditions specified herein and as set forth under "Repurchase Rights" in the form of Debenture, and
 - (2) delivery of such Debenture to the Paying Agent prior to the Repurchase Date (together with all necessary endorsements) at the offices of the Paying Agent, such delivery being a condition to receipt by the Holder of the Repurchase Price therefor; *provided, however*, that such Purchase Price shall be so paid pursuant to this paragraph

only if the Debenture so delivered to the Paying Agent shall conform in all respects to the description thereof in the related Repurchase Notice, as determined by the Company.

The Company shall purchase from the Holder thereof, pursuant to this paragraph and the terms of the Debentures, a portion of a Debenture if the principal amount of such portion is \$1,000 or an integral multiple of \$1,000. Provisions of this Indenture that apply to the purchase of all of a Debenture also apply to the purchase of such portion of such Debenture.

Any repurchase contemplated by the Company shall be consummated by the delivery of the consideration to be received by the Holder (together with accrued and unpaid interest, if any) promptly following the later of the Repurchase Date and the time of delivery of the Debenture.

Notwithstanding anything herein to the contrary, any Holder delivering to the Paying Agent the Repurchase Notice shall have the right to withdraw such Repurchase Notice at any time prior to the close of business on the second Business Day prior to the Repurchase Date by delivery of a written notice of withdrawal to the office of the Paying Agent stating:

- (1) the certificate number of the Debenture in respect of which such notice of withdrawal is being submitted;
- (2) the principal amount of the Debenture with respect to which such notice of withdrawal is being submitted; and
- (3) the principal amount of such Debenture which remains subject to the original Repurchase Notice or and which has been or will be delivered for purchase by the Company.

The Company may arrange for a third party to purchase Debentures for which the Company has received a valid notice of repurchase that has not been properly withdrawn. If the Company establishes such an arrangement, then interest will continue to accrue on the Debentures and such Debentures will continue to be outstanding for all purposes of the Indenture.

The Paying Agent shall promptly notify the Company of the receipt by it of any Repurchase Notice or written notice of withdrawal thereof.

- (1) *Repurchase at Option of Holders upon a Change in Control.* If there shall have occurred a Change in Control at any time prior to November 15, 2011, a Holder of Debentures shall have the right to require the Company to repurchase all of its Debentures not previously called for redemption, or

any portion of the principal amount thereof, that is equal to \$1,000 or an integral multiple of \$1,000, at a cash purchase price equal to 100% of the principal amount of all Debentures it requires the Company to repurchase, plus accrued and unpaid interest on those Debentures to, but excluding, the Repurchase Date (such amount, the "Change in Control Purchase Price") subject to satisfaction by or on behalf of the Holder of the requirements set forth below.

Within 15 days after the occurrence of a Change in Control, the Operating Partnership shall mail a written notice of Change in Control by first-class mail to the Trustee and to each Holder (and to beneficial owners as required by applicable law and procedures of DTC. The notice shall include a form of Change in Control Purchase Notice to be completed by the Holder and shall state:

- (1) briefly, the events causing a Change in Control and the date of such Change in Control;
- (2) the date by which the irrevocable Change in Control Purchase Notice pursuant to this paragraph must be given, which must be on or before the 20th Business Day after issuance by the Operating Partnership of notice to Holders that a Change in Control had occurred;
- (3) the date on which the Operating Partnership will repurchase Debentures upon a Change in Control, which must be not less than 20 nor more than 30 Business Days after the date of the Operating Partnership's issuance of notice to Holders that a Change in Control had occurred (such date, the "Change in Control Purchase Date");
- (4) the Change in Control Purchase Price;
- (5) the name and address of the Paying Agent and the Exchange Agent;
- (6) that Debentures must be surrendered to the Paying Agent to collect payment of the Change in Control Purchase Price and accrued and unpaid interest, if any;
- (7) that the Change in Control Purchase Price for any Debenture as to which a Change in Control Purchase Notice has been duly given will be paid promptly following the later of the Change in Control Purchase Date and the time of surrender of such Debenture;

- (8) that, unless the Company defaults in making payment of such Change in Control Purchase Price and interest, if any on Debentures surrendered for purchase, interest on Debentures surrendered for purchase will cease to accrue on and after the Change in Control Purchase Date; and
- (9) the CUSIP number of the Debentures.

A Holder may exercise its rights specified in this paragraph upon delivery of a written notice of purchase (a “Change in Control Purchase Notice”) to the Paying Agent at any time prior to the close of business not more than 20 Business Days following the date of the Operating Partnership’s notice to Holders of the Change in Control, stating:

- (1) the certificate number of the Debentures which the Holder will deliver to be purchased;
- (2) the principal amount of the Debenture which the Holder will deliver to be purchased, which must be \$1,000 or an integral multiple thereof; and
- (3) that such Debenture shall be purchased pursuant to the terms and conditions specified herein and as set forth under “Repurchase at Option of Holders upon a Change in Control” in the form of Debenture.

The delivery of the Debentures to the Paying Agent prior to, on or after the Change in Control Purchase Date (together with all necessary endorsements) at the offices of the Paying Agent shall be a condition to the receipt by the Holder of the Change in Control Purchase Price therefor; *provided, however*, that such Change in Control Purchase Price shall be so paid only if the Debentures so delivered to the Paying Agent shall conform in all respects to the description thereof set forth in the related Change in Control Purchase Notice.

The Company shall purchase from the Holder thereof, a portion of a Debenture if the principal amount of such portion is \$1,000 or an integral multiple of \$1,000. Provisions of this Indenture that apply to the purchase of all of a Debenture also apply to the purchase of such portion of such Debenture.

The Paying Agent shall promptly notify the Company of the receipt by it of any Change in Control Purchase Notice.

Notwithstanding the foregoing, no Debentures may be purchased by the Company at the option of a Holder upon a Change in Control if the principal amount of the Debentures has been accelerated and such acceleration has not been rescinded on or prior to such date.

If a Change in Control occurs on or after November 15, 2011, no holder will have the right to require the Operating Partnership to purchase any Debentures pursuant to this paragraph (l).

A “Change in Control” will be deemed to have occurred at any time after November 20, 2006 that any of the following occurs:

- (1) consummation of any transaction or event (whether by means of a liquidation, share exchange, tender offer, consolidation, recapitalization, reclassification, combination, merger of the Company or any sale, lease or other transfer of all or substantially all of the consolidated assets of the Company and its subsidiaries) or a series of related transactions or events pursuant to which Common Shares are exchanged for, converted into or constitute solely the right to receive cash, securities or other property more than 10% of which consists of cash, securities or other property that are not, or upon issuance will not be, traded on a national securities exchange;
- (2) any “person” or “group” (as such terms are used for purposes of Sections 13(d) and 14(d) of the Exchange Act, whether or not applicable), other than the Company, the Operating Partnership or any majority owned subsidiary of the Company or the Operating Partnership, is or becomes the “beneficial owner,” directly or indirectly, of more than 70% of the total voting power in the aggregate of all classes of the Company’s capital stock then outstanding entitled to vote generally in elections of trustees, directors or managers, as applicable; or
- (3) during any period of 12 consecutive months after the date of original issuance of the Debentures, persons who at the beginning of such 12-month period constituted the Board of Trustees of the Company (together with any new persons whose election was approved by a vote of a majority of the persons then still comprising the Board of Trustees who were either members of the Board of Trustees at the beginning of such period or whose election, designation or nomination for election was previously so approved) cease

for any reason to constitute a majority of the board of trustees of the Company, then in office.

However, a Change in Control will not be deemed to have occurred and the Operating Partnership will not be required to deliver a notice incidental thereto if either:

- (1) the closing sale price per share of Common Shares of the Company for any five trading days within the period of 10 consecutive trading days ending immediately after the later of the Change in Control or the public announcement of the Change in Control, in the case of a Change in Control relating to an acquisition of capital stock, or the period of 10 consecutive trading days ending immediately after the Change in Control, in the case of Change in Control relating to a merger, consolidation or asset sale, equals or exceeds 105% of the exchange price of the Debentures in effect on each of those trading days; provided, however, that the exception to the definition of "Change in Control" specified in this clause (1) shall not apply in the context of a "Change in Control" as described below in paragraph (m) or in paragraph (o)(4); or
- (2) at least 90% of the consideration (excluding cash payments for fractional shares and cash payments made pursuant to dissenters' appraisal rights) in a merger, consolidation or other transaction otherwise constituting a Change in Control consists of shares of common stock, depositary receipts or other certificates representing common equity interests traded on a national securities exchange or another established automated over-the-counter trading market in the United States (or will be so traded or quoted immediately following the merger or consolidation) and as a result of the merger, consolidation or other transaction the Debentures become exchangeable into such shares of common stock, depositary receipts or other certificates representing common equity interests.

Upon receipt by the Paying Agent of the Repurchase Notice or Change in Control Purchase Notice, the Holder of the Debentures in respect of which such Repurchase Notice or Change in Control Purchase Notice, as the case may be, was given shall (unless such Repurchase Notice is withdrawn as specified below) thereafter be entitled to receive solely the Repurchase Price or Change in Control Purchase Price, as the case may be, with respect to such Debenture. Such Repurchase Price or Change in Control

Purchase Price shall be paid to such Holder, subject to receipt of funds and/or Debentures by the Paying Agent or Conversion Agent, promptly following the later of (x) the Repurchase Date or the Change in Control Purchase Date, as the case may be, with respect to such Debentures (provided the conditions set forth in these resolutions and the Debentures for such payment are satisfied) and (y) the time of delivery of such Debentures to the Paying Agent by the Holder thereof in the manner required herein. Debentures in respect of which a Repurchase Notice or Change in Control Purchase Notice, as the case may be, has been given by the Holder thereof may not be exchanged on or after the date of the delivery of such Repurchase Notice or Change of Control Purchase Notice, as the case may be, unless, solely in the case of a Repurchase Notice, it has first been validly withdrawn as specified below.

A Repurchase Notice may be withdrawn by means of a written notice of withdrawal delivered to the office of the Paying Agent prior to the close of business on the second Business Day prior to the Repurchase Date specifying:

- (1) the certificate number of the Debenture in respect of which such notice of withdrawal is being submitted;
- (2) the principal amount of the Debenture with respect to which such notice of withdrawal is being submitted; and
- (3) the principal amount of such Debenture which remains subject to the original Purchase Notice or and which has been or will be delivered for purchase by the Company.

Prior to 10:00 a.m., New York City time, on the Repurchase Date or the Change in Control Purchase Date, as the case may be, the Company shall deposit with the Trustee or with the Paying Agent (or, if the Company or a Subsidiary or an Affiliate of either of them is acting as the Paying Agent, shall segregate and hold in trust as provided in the Indenture) an amount of money (in immediately available funds if deposited on such Business Day) sufficient to pay the aggregate Repurchase Price or Change in Control Purchase Price, as the case may be, all the Debentures or portions thereof which are to be purchased as of the Repurchase Date or Change in Control Purchase Date, as the case may be.

- (m) *Make Whole Amount Upon Certain Change in Control Transactions.* If a transaction described in clause (1) or clause (2) of the definition of Change in Control occurs on or prior to November 15, 2011, and a Holder elects to convert its Debentures in connection with such transaction, the Company will increase the applicable Conversion Rate for the Debentures

surrendered for conversion by a number of additional Common Shares of the Company (the “Additional Shares”), as described below. A conversion of Debentures shall be deemed for these purposes to be “in connection with” such a Change in Control if the notice of conversion of the Debentures is received by the Conversion Agent on or after the 15th Business Day prior to the anticipated effective date of the Change in Control and on or prior to the fifth Business Day following the effective date of the Change in Control (or, if earlier and to the extent applicable, the close of business on the second Trading Day immediately preceding the day on which the Company is required to repurchase Debentures upon a Change in Control as described in paragraph (l) above).

The number of Additional Shares will be determined by reference to the table below and is based on the date on which such Change in Control transaction becomes effective (the “effective date”) and the price (the “stock price”) paid per Common Share in such transaction. If the holders of Common Shares receive only cash in the Change in Control transaction, the stock price shall be the cash amount paid per Common Share. Otherwise, the stock price shall be the average of the closing sale prices of Common Shares on the 10 Trading Days up to but excluding the effective date.

The stock prices set forth in the first row of the table (i.e., the column headers) will be adjusted as of any date on which the Conversion Rate of the Debentures is adjusted. The adjusted stock prices will equal the stock prices applicable immediately prior to such adjustment multiplied by a fraction, the numerator of which is the Conversion Rate immediately prior to the adjustment giving rise to the stock price adjustment and the denominator of which is the Conversion Rate as so adjusted. The right to receive the Additional Shares will be subject to adjustment in the same manner as the Conversion Rate.

The following table sets forth the stock price and number of Additional Shares to be received per \$1,000 principal amount of Debentures:

Effective Date	Stock Price														
	\$118.04	\$130.00	\$140.00	\$153.45	\$165.00	\$175.00	\$185.00	\$200.00	\$215.00	\$230.00	\$245.00	\$260.00	\$275.00	\$300.00	\$325.00
11/20/06	1.95	1.48	1.18	0.88	0.48	0.56	0.48	0.37	0.30	0.24	0.20	0.17	0.15	0.12	0.10
11/15/07	1.95	1.44	1.11	0.81	0.42	0.51	0.42	0.31	0.24	0.19	0.16	0.13	0.11	0.09	0.08
11/15/08	1.95	1.40	1.06	0.74	0.35	0.45	0.35	0.25	0.18	0.14	0.12	0.10	0.08	0.07	0.06
11/15/09	1.95	1.36	1.03	0.67	0.25	0.36	0.25	0.16	0.12	0.09	0.07	0.06	0.05	0.04	0.03
11/09/10	1.95	1.34	0.96	0.59	0.14	0.22	0.14	0.07	0.04	0.02	0.02	0.01	0.01	0.01	0.01
11/09/11	1.95	1.29	0.93	0.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

The exact stock prices and effective dates may not be set forth on the table, in which case:

- (1) if the stock price is between two stock price amounts on the table or the effective date is between two dates on the table, the additional shares will be determined by straight-line interpolation between the number of Additional Shares set forth for the higher and lower stock price amounts and the two dates, as applicable, based on a 365-day year;
- (2) if the stock price is equal to or in excess of \$325.00 per share (subject to adjustment), no Additional Shares will be issued upon conversion; and
- (3) if the stock price is less than \$118.04 per share (the closing sale price of Common Shares on the date of this prospectus (subject to adjustment), no Additional Shares will be issued upon conversion.

Notwithstanding the foregoing, in no event will the total number of Common Shares issuable upon conversion exceed 8.4717 per \$1,000 principal amount of Debentures, subject to adjustment in the same manner as the Conversion Rate.

- (n) *Conversion Settlement.* A Holder of Debentures may, subject to the restrictions on ownership of Common Shares set forth in the Company's Declaration of Trust and the conditions described in paragraphs (o) and (q) below, for cash, Common Shares, if any, or a combination of cash and Common Shares, at the Company's option, at the Conversion Rate in effect at the time of conversion (6.5168 Common Shares per \$1,000 principal amount of Debentures on November 20, 2006). Subject to such restrictions, the Company will deliver, in respect of each \$1,000 principal amount of Debentures tendered for conversion:

cash in an amount (the "Principal Return") equal to the lesser of (a) the principal amount of Debentures surrendered for conversion and (b) the Conversion Value, and

if the Conversion Values are greater than the principal return, an amount (the “Net Amount”) in cash or Common Shares, as determined by the Company, with an aggregated value equal to the difference between the Conversion Value and the Principal Return as described herein.

The Company may elect to deliver any portion of the Net Amount in cash or Common Shares, and any portion of the net amount the Company elects to deliver in Common Shares (the “Net Shares”) will be the sum of the daily share amounts (calculated as described below) for each Trading Day during the applicable conversion period. Prior to the close of business on the second Trading Day following the date on which Debentures are tendered for conversion, the Company will, by notice to the trustee, inform holders of such Debentures of the Company’s election to pay cash for all or a portion of the Net Amount and, if applicable, the portion of the Net Amount that will be paid in cash and the portion that will be delivered in the form of Net Shares, unless the Company has previously informed such holders of such election in a notice of redemption for Debentures.

The Company will deliver cash in lieu of any fractional Common Shares issuable in connection with payment of Net Shares based upon the average price.

The “Conversion Value” for each \$1,000 principal amount of Debenture is equal to (a) the applicable Conversion Rate multiplied by (b) the Average Price.

The “applicable conversion period” means the 10 consecutive Trading Day periods commencing after the second Trading Day following the date the Debentures are tendered for conversion.

The “Average Price” is equal to the average of the closing sales prices of Common Shares for each trading day in the applicable conversion period.

The “Daily Share Amount” for each \$1,000 principal amount of Debentures and each trading day in the applicable conversion period is equal to the greater of:

- Zero; and
- A number of Common Shares determined by the following formula:

$$\frac{(\text{closing sale price of Common Shares on such trading day} \times \text{applicable conversion rate}) - (\$1,000 + \text{net cash amount, if any})}{(10 \times \text{closing price of Common Shares on such trading day})}$$

The Conversion Value, Principal Return, Net Amount, Net Cash Amount and the number of Net Shares, as applicable, will be determined by the Company promptly after the end of the applicable conversion period. The Company will pay the principal return and cash in lieu of fraction shares, and deliver net shares or pay the net cash amount, as applicable, no later than the third business day following the last Trading Day of the applicable conversion period.

- (o) *Conversion Rights.* In connection with a conversion with respect to which the Company settles entirely in Common Shares, no fractional Common Shares will be delivered upon conversion of the Debentures. Instead, the Company will pay the cash value of such fractional shares in connection with such settlement based upon the closing sale price of Common Shares on the Trading Day immediately preceding the Conversion Date.
- (1) The Conversion Date is the date on which a Holder delivers an irrevocable notice of conversion of Debentures (the "Conversion Notice"), together, if the Debentures are in certificated form, with the certificated Debenture to the Conversion Agent.
 - (2) If a Debenture has been called for redemption, Holders will be entitled to convert such Debenture from the date of notice of the redemption until the close of business on the second Business Day immediately preceding the Redemption Date. The right to convert will expire at that time, unless the Company defaults in making the payment due upon redemption. A Holder may convert fewer than all of such Holder's Debentures so long as the Debentures converted are an integral multiple of \$1,000 principal amount.
 - (3) Upon surrender of a Debenture for conversion into Common Shares, such Holder shall deliver to the Company cash equal to the amount that the Company is required to deduct and withhold under applicable law in connection

with the conversion; *provided, however*, if the Holder does not deliver such cash, the Company may deduct and withhold from the amount of cash otherwise deliverable to such Holder the amount required to be deducted and withheld under applicable law (and not otherwise delivered by the Holder in cash).

Holders may surrender their Debentures for conversion for cash, Common Shares, if any, or a combination of cash and Common Shares, at the option of the Company, at the applicable Conversion Rate prior to Stated Maturity at any time on or after November 15, 2025 and also under any of the following circumstances:

- (1) *Conversion Upon Satisfaction of Market Price Condition.* A Holder may surrender any of such Holder's Debentures for conversion during any Measurement Period (and only during such period) prior to the second Business Day immediately prior to Stated Maturity of the Debentures, if the closing sale prices of Common Shares on the principal national securities exchange on which the Common Shares are listed, for a period of at least 20 Trading Days in the period of 30 consecutive Trading Days ending on the first day of such Measurement Period, is more than 125% of the Conversion Price per share of Common Shares on the first day of such Measurement Period, or

If an event set forth herein as giving rise to an adjustment of the Conversion Rate shall have occurred during the period of 30 consecutive Trading Days beginning on the first day of such Measurement Period, the sale price of Common Shares on each Trading Day of such period elapsing prior to the occurrence of the event shall be deemed for purposes of the calculation described in the previous sentence to have been appropriately adjusted to reflect the occurrence of the event.

The Conversion Agent, which shall initially be the Trustee shall, on behalf of the Company, determine daily if the Debentures are convertible as a result of the closing sale price of Common Shares and notify the Company and the Trustee accordingly.

- (2) *Conversion Upon Satisfaction of Trading Price Condition.* A Holder may surrender any of its Debentures for conversion during the five consecutive Trading Day period following any 20 consecutive Trading Days in which the average of the trading prices (as determined following a request by a holder of the Debentures) for a Debenture

during such 20 consecutive Trading Day period was less than 98% of the average closing sale price of Common Shares for such period, multiplied by the applicable Conversion Rate for such period. Common Shares will be valued at 100% of the average closing sale prices for the 20 consecutive Trading Days preceding the Conversion Date.

The “trading price” of the Debentures on any date of determination means the average of the secondary market bid quotations per \$1,000 principal amount of Debentures obtained by the Trustee for a \$5,000,000 principal amount of the Debentures at approximately 3:30 p.m., New York City time, on such determination date from two independent nationally recognized securities dealers selected by the Company, which may include Bank of America Securities, LLC.; *provided* that if at least two such bids cannot reasonably be obtained by the Trustee, but one such bid can reasonably be obtained by the Trustee, this one bid shall be used. If the Trustee cannot reasonably obtain at least one bid for a \$5,000,000 principal amount of the Debentures from a nationally recognized securities dealer or, in the reasonable judgment of the Company, the bid quotations are not indicative of the secondary market value of the Debentures, then the trading price per \$1,000 principal amount of Debentures will be deemed to be less than 98% of the closing sale price of Common Shares on such determination date.

The Trustee shall have no obligation to determine the trading price of the Debentures unless the Company shall have requested such determination, and the Company shall have no obligation to make such request unless a Holder provides the Company with reasonable evidence that the trading price per \$1,000 principal amount of the Debentures would be less than 98% of the product of the closing sale price of Common Shares and the Conversion Rate, or that no such prices can be reasonably determined; at which time, the Company shall instruct the Trustee to determine the trading price of the Debentures beginning on the next Trading Day and on each successive Trading Day until the trading price is greater than or equal to 98% of the product of the closing sale price of Common Shares and the Conversion Rate.

- (3) *Conversion Upon Notice of Redemption.* A Holder may surrender for conversion any of the Debentures called for redemption at any time prior to the close of business two Business Days prior to the Redemption Date, even if the Debentures are not otherwise convertible at such time. However, if a Holder has already delivered a Repurchase

Notice or a Change in Control Purchase notice with respect to a Debenture, the Holder may not surrender that Debenture for conversion until, in the case of a Repurchase Notice, the Holder has withdrawn the notice in accordance with the terms of the Debentures.

- (4) Conversion Upon Specified Transactions. If the Company elects to:
- (A) distribute to all holders of Common Shares rights entitling them to purchase, for a period expiring within 60 days, Common Shares at less than the closing sale price of Common Shares on the Trading Day immediately preceding the declaration of the distribution; or
 - (B) distribute to all holders of Common Shares the Company's assets, debt securities or rights to purchase the Company's securities, which distribution has a per share value exceeding 15% of the closing sale price of Common Shares on the Trading Day immediately preceding the declaration date for such distribution,

the Company shall notify the Holders of the Debentures in writing at least 20 days prior to the ex-dividend date for such distribution. Following the issuance of such notice, Holders may surrender their Debentures for conversion at any time until the earlier of the close of business on the Business Day prior to the ex-dividend date or the Company's announcement that such distribution will not take place; *provided, however*, that a Holder may not exercise this right to convert if the Holder may participate, on an as-converted basis, in the distribution without conversion of the Debentures. The ex-dividend date for purposes of the foregoing is the first date upon which a sale of the Common Shares does not automatically transfer the right to receive the relevant distribution from the seller of Common Shares to its buyer.

In addition, if the Company is party to any transaction described in clause (1) of the definition of "Change in Control" or any other consolidation, merger or binding share exchange pursuant to which Common Shares would be converted into cash, securities or other property, a Holder may surrender Debentures for conversion at any time from and after the date that is 15 Business Days prior to the anticipated effective date of the transaction until five Business Days after the actual date of such transaction.

If the Company is party to any transaction described in clause (1) of the definition of "Change in Control" or any other consolidation, merger or binding share exchange pursuant to which Common Shares are converted into cash, securities or other property, then at the effective time of the transaction, the right to convert a Debenture into Common Shares will be changed into a right to convert the Debentures into the kind and amount of cash, securities or other property that the Holder would have received if the Holder had converted its Debentures immediately prior to the effective time of the transaction (assuming such Holder did not exercise his rights of election, if any, as to the kind or amount of securities, cash or other property receivable upon such reclassification, change, consolidation, merger, combination, sale or conveyance). If a Holder converts Debentures in accordance with this paragraph and the Holder is entitled to an adjustment for additional Common Shares as described in paragraph (m) herein, the conversion of the Debentures will settle after the effective time of such transaction. In addition, if Holders convert their Debentures at any time following the effective time of the transaction, the amount paid will be paid based on the kind and amount of such cash, securities or other property.

If such transaction also constitutes a Change in Control, the holder will be able to require the Company to repurchase all or a portion of such

Holder's Debentures as described in paragraph (l). In addition, if such transaction constitutes a Change in Control as described in clause (l) and (2) of the definition thereof, the Company will adjust the Conversion Rate for Debentures tendered for conversion in connection with the transaction, as described in paragraph (m) hereof.

- (5) *Conversion Upon Delisting of Common Shares.* A Holder of Debentures may surrender any of its Debentures for conversion into Common Shares at the applicable Conversion Rate if the Common Shares are not listed on a U.S. national securities exchange for a 30 consecutive Trading Day period.

"Measurement Period" means the period from and including the 11th Trading Day in a fiscal quarter up to but excluding the 11th Trading Day of the following fiscal quarter.

"Closing sale price" of the Common Shares or other capital stock or similar equity interests or other publicly traded security on any date means the closing sale price per share (or, if no closing sale price is reported, the average of the closing bid and ask prices or, if more than one in either case, the average of the average closing bid and the average closing ask prices) on such date as reported on the principal United States securities exchange on which the Common Shares or such other capital stock or similar equity interests or other securities are traded or, if the Common Shares or such other capital stock or similar equity interests or other securities are not listed on a United States national or regional securities exchange, or by the National Quotation Bureau Incorporated or another established over-the-counter trading market in the United States. The closing sale price will be determined without regard to after-hours trading or extended market making. In the absence of such quotations, the Company will determine the closing sale price on such basis as it considers appropriate.

"Trading Day" means a day during which trading in securities generally occurs on the New York Stock Exchange or, if the subject securities are not then listed on the New York Stock Exchange, on the principal other national or regional securities exchange on which such securities are then listed or, if such securities are not then listed on a national or regional securities exchange, on the principal other market on which securities are then traded.

- (p) *Conversion Price.* The Conversion Price per Common Share means, for a \$1,000 principal amount of Debentures, the quotient of \$1,000 divided by the Conversion Rate. The Conversion Price on November 20, 2006 shall

be \$153.45 per Common Share. The Conversion Rate for each \$1,000 principal amount of Debentures on November 20, 2006 shall be 6.5168.

- (q) *Conversion Procedures.* A Holder will not receive any cash payment representing accrued interest upon conversion of a Debenture. Instead, upon conversion the Company will deliver to tendering Holders, cash, a fixed number of Common Shares, if any, and any cash payment to account for fractional shares. The cash payment for fractional shares in connection with a conversion settled in Common Shares will be based on the closing sale price of Common Shares on the Trading Day immediately prior to the Conversion Date. Delivery of cash and Common Shares, if any, will be deemed to satisfy the Company's obligation to pay the principal amount of the Debentures, including any accrued and unpaid interest. Accrued and unpaid interest will be deemed paid in full rather than canceled, extinguished or forfeited. In no event will the Company adjust the Conversion Rate to account for the accrued interest.

Upon conversion of a Debenture, the Company will pay any documentary stamp or similar issue or transfer tax due on the issue of Common Shares, if any, unless the tax is due because the Holder requests the shares to be issued or delivered to a person other than the registered Holder, in which case the Holder must pay the tax prior to the delivery of the Common Shares. Certificates representing Common Shares will not be issued or delivered unless all taxes and duties, if any, payable by the Holder have been paid.

Debentures tendered for conversion after a Record Date for an interest payment but prior to the corresponding Interest Payment Date, will receive on the Interest Payment Date interest accrued on those Debentures, notwithstanding the conversion of Debentures prior to the Interest Payment Date, assuming the Holder was the holder of record on the corresponding Record Date. Notwithstanding the foregoing, a Holder that surrenders for conversion a Debenture during such period, must pay to the Company an amount equal to the interest that has accrued and that will be paid on the Debentures being converted on the Interest Payment Date, unless such Debentures are surrendered for conversion after being called for redemption after a Record Date for an Interest Payment Date or such Debentures are converted after the Record Date for the payment of interest on the Debentures immediately preceding the Stated Maturity of the Debentures. If in such an event prior to the Redemption Date a Holder elects to convert Debentures, such Holder will not be required to pay at the time of surrender of Debentures for conversion the amount of interest on the Debentures that it will receive on the date that has been fixed for redemption.

Except as set forth herein, no other payment or adjustment for interest, or for any dividends in respect of Common Shares, will be made upon conversion of Debentures. Holders of Common Shares issued upon conversion will not be entitled to receive any dividends payable to holders of Common Shares as of any record time or date before the close of business on the conversion date.

In order to exercise its conversion right, a Holder must deliver an irrevocable conversion notice, together, if the Debentures are in certificated form, with the certificated security, to the Conversion Agent who will, on behalf of the Holder, convert the Debentures for Common Shares, cash or a combination of cash and Common Shares.

In case any Debenture shall be surrendered for partial exchange, the Company shall execute and the Trustee shall authenticate and deliver to or upon the written order of the holder of the Debenture so surrendered, without charge to such Holder, a new Debenture or Debentures in authorized denominations in an aggregate principal amount equal to the unconverted portion of the surrendered Debentures.

(r) *Conversion Rate Adjustments.* The Conversion Rate shall be adjusted from time to time as follows:

(1) If the Company issues Common Shares as a dividend or distribution on Common Shares to all holders of Common Shares, or if the Company effects a share split or share combination, the conversion rate will be adjusted based on the following formula:

$$CR1 = CR0 \times OS1/OS0$$

where

CR0 = the Conversion Rate in effect immediately prior to such event

CR1 = the Conversion Rate in effect immediately after such event

OS0 = the number of Common Shares outstanding immediately prior to such event

OS1 = the number of Common Shares outstanding immediately after such event.

Any adjustment made pursuant to this paragraph (1) shall become effective on the date that is immediately after the earlier of (x) the date fixed for the determination of shareholders entitled to receive

such dividend or other distribution or (y) the date on which such split or combination becomes effective, as applicable. If any dividend or distribution described in this paragraph is declared but not so paid or made, the Conversion Rate shall again be adjusted to the Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

- (2) If the Company issues to all holders of Common Shares any rights, warrants, options or other securities entitling them for a period of not more than 45 days after the date of issuance thereof to subscribe for or purchase Common Shares, or securities convertible into shares of Common Shares within 45 days after the issuance thereof, in either case at an exercise price per share or a conversion price per share less than the closing sale price of Common Shares on the Business Day immediately preceding the time of announcement of such issuance, the Conversion Rate will be adjusted based on the following formula (provided that the Conversion Rate will be readjusted to the extent that such rights, warrants, options, or other securities or convertible securities are not exercised or converted prior to the expiration of the exercisability or convertibility thereof):

$$CR1 = CR0 \times (OS0 + X) / (OS0 + Y)$$

where

CR0 = the Conversion Rate in effect immediately prior to such event

CR1 = the Conversion Rate in effect immediately after such event

OS0 = the number of Common Shares outstanding immediately prior to such event

X = the total number of Common Shares issuable pursuant to such rights, warrants, options, other securities or convertible securities

Y = the number of Common Shares equal to the quotient of (A) the aggregate price payable to exercise such rights, warrants, options, other securities or convertible securities and (B) the average of the closing sale prices of Common Shares for the 10 consecutive trading days prior to the Business Day immediately preceding the date of announcement for the issuance of such rights, warrants, options, other securities or convertible securities.

For purposes of this paragraph (2), in determining whether any rights, warrants, options, other securities or convertible securities entitle the holder to subscribe for or purchase or exercise a conversion right for Common Shares at less than the average closing sale price of Common Shares, and in determining the aggregate exercise or conversion price payable for such Common Shares, there shall be taken into account any consideration received by the Company for such rights, warrants, options, other securities or convertible securities and any amount payable on exercise or conversion thereof, with the value of such consideration, if other than cash, to be determined by the Company's Board of Trustees.

- (3) If the Company distributes shares of capital stock, evidences of indebtedness or other assets or property of the Company to all holders of Common Shares, excluding:
- (A) dividends, distributions and rights, warrants, options, other securities or convertible securities referred to in paragraph (1) or (2) above,
 - (B) dividends or distributions paid exclusively in cash, and
 - (C) spin-offs described below in this paragraph (3)

then the Conversion Rate will be adjusted based on the following formula:

$$CR1 = CR0 \times SP0 / (SP0 - FMV)$$

where

CR0 = the Conversion Rate in effect immediately prior to such distribution

CR1 = the Conversion Rate in effect immediately after such distribution

SP0 = the average of the closing sale prices of Common Shares for the 10 consecutive trading days prior to the Business Day immediately preceding the earlier of the record date or the ex-dividend date for such distribution

FMV = the fair market value (as determined in good faith by the Company's Board of Trustees) of the shares of capital stock,

evidences of indebtedness, assets or property distributed with respect to each outstanding Company Common Share on the earlier of the Record Date or the ex-dividend date for such distribution.

An adjustment made pursuant to this paragraph (3) shall be made successively whenever any such distribution is made and shall become effective on the day immediately after the date fixed for the determination of holders of Common Shares entitled to receive such distribution.

With respect to an adjustment pursuant to this paragraph (3) where there has been a payment of a dividend or other distribution on Common Shares or shares of capital stock of any class or series, or similar equity interest, of or relating to a subsidiary or other business unit of the Company (such transaction, a "Spin-Off"), the Conversion Rate in effect immediately before the close of business on the Record Date fixed for determination of holders of Common Shares entitled to receive the distribution will be increased based on the following formula:

$$CR1 = CR0 \times (FMV0 + MP0) / MP0$$

where

CR0 = the Conversion Rate in effect immediately prior to such distribution

CR1 = the Conversion Rate in effect immediately after such distribution

FMV0 = the average of the closing sale prices of the capital stock or similar equity interest distributed to holders of Common Shares applicable to one Company Common Share over the first 10 consecutive trading days after the effective date of the Spin-Off

MP0 = the average of the closing sale prices of Common Shares over the first 10 consecutive Trading Days after the effective date of the Spin-Off.

The adjustment to the Conversion Rate under the preceding paragraph with respect to a Spin-Off will occur on the 10th Trading Day from, and including, the effective date of the Spin-Off.

If any such dividend or distribution described in this paragraph is declared but not paid or made, the Conversion Rate shall again be adjusted to be the Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

- (4) If following the date of original issuance of the Debentures the Company makes any cash dividend or distribution during any of its quarterly fiscal periods to all holders of Common Shares in an aggregate amount that, together with other cash dividends or distributions made during such quarterly fiscal period, exceeds the product of \$0.85 (the “Reference Dividend”), multiplied by the number of Common Shares outstanding on the record date for such distribution, the Conversion Rate will be adjusted based on the following formula:

$$CR1 = CR0 \times SP0 / (SP0 - C)$$

where

CR0 = the Conversion Rate in effect immediately prior to the record date for such distribution

CR1 = the Conversion Rate in effect immediately after the record date for such distribution

SP0 = the average of the closing sale prices of Common Shares for the 10 consecutive Trading Days prior to the business day immediately preceding the earlier of the record date or the day prior to ex-dividend date for such distribution

C = the amount in cash per share that the Company distributes to holders of Common Shares during such quarterly fiscal period that exceeds the Reference Dividend.

An adjustment made pursuant to this paragraph shall become effective on the date immediately after the Record Date for the determination of holders of Common Shares entitled to receive such dividend or distribution. If any dividend or distribution described in this paragraph is declared but not so paid or made, the Conversion Rate shall again be adjusted to the Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

The Reference Dividend shall be subject to adjustment on account of any of the events set forth in paragraph (1) above of this

paragraph (r). Any such adjustment will be effected by multiplying the Reference Dividend by a fraction, the numerator of which will equal OS0 and the denominator of which will equal OS1, in each case, within the meaning of paragraph (1) above.

- (5) If the Company or any of its subsidiaries makes a payment in respect of a tender offer or exchange offer for Common Shares to the extent that the cash and value of any other consideration included in the payment per Company Common Share exceeds the closing sale price of a Company Common Share on the Trading Day next succeeding the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer (the “Expiration Time”), the Conversion Rate will be increased based on the following formula:

$$CR1 = CR0 \times (AC + (SP1 \times OS1)) / (SP1 \times OS0)$$

where

CR0 = the Conversion Rate in effect on the date such tender or exchange offer expires

CR1 = the Conversion Rate in effect on the day next succeeding the date such tender or exchange offer expires

AC = the aggregate value of all cash and any other consideration (as determined by the Company’s Board of Trustees) paid or payable for shares purchased in such tender or exchange offer

OS0 = the number of Common Shares outstanding immediately prior to the date such tender or exchange offer expires

OS1 = the number of Common Shares outstanding immediately after such tender or exchange offer expires (after giving effect to the purchase or exchange of shares pursuant to such tender or exchange offer)

SP1 = the average of the closing sale prices of Common Shares for the 10 consecutive Trading Days commencing on the Trading Day next succeeding the date such tender or exchange offer expires.

If the application of the foregoing formula would result in a decrease in the Conversion Rate, no adjustment to the Conversion Rate will be made.

Any adjustment made pursuant to this paragraph (5) shall become effective on the date immediately following the Expiration Time. If the Company or one of its subsidiaries is obligated to purchase Common Shares pursuant to any such tender or exchange offer, but the Company or such subsidiary is permanently prevented by applicable law from effecting any such purchases or all such purchases are rescinded, the Conversion Rate shall again be adjusted to be the Conversion Rate that would be in effect if such tender or exchange offer had not been made.

- (6) Notwithstanding the foregoing, in the event of an adjustment pursuant to paragraph (4) or (5) above, in no event will the conversion rate exceed 8.4717, subject to adjustment pursuant to paragraphs (1), (2) and (3).
- (7) If the Company adopts a rights plan while any Debentures remain outstanding, Holders of Debentures will receive, upon conversion of their Debentures for Common Shares, in addition to Common Shares, rights under the Company's shareholder rights agreement unless, prior to conversion, the rights have expired, terminated or been redeemed or unless the rights have separated from the Common Shares. If the rights provided for in the rights plan adopted by the Company have separated from the Common Shares in accordance with the provisions of the applicable shareholder rights agreement so that Holders of Debentures would not be entitled to receive any rights in respect of Common Shares issuable upon conversion of Debentures, the Conversion Rate will be adjusted at the time of separation as if the Company had distributed, to all holders of Common Shares, shares of capital stock, evidences of indebtedness or other assets or property pursuant to paragraph (3) above, subject to readjustment upon the subsequent expiration, termination or redemption of the rights. In lieu of any such adjustment, the Company may amend such applicable shareholder rights agreement to provide that upon conversion of Debentures the Holders will receive, in addition to Common Shares issuable upon such conversion, the rights which would have attached to such Common Shares if the rights had not become separated from the Common Shares under such applicable shareholder rights agreement. To the extent that the Company adopts any future shareholder rights agreement, upon conversion of Debentures into Common Shares, a Holder of Debentures shall receive, in addition to Common Shares, the rights under the future shareholder rights agreement whether or not the rights have separated from Common Shares at the time of conversion and no

adjustment will be made in accordance with paragraph (3) or otherwise.

In addition to the adjustments pursuant to paragraphs (1) through (7) above, the Company may increase the Conversion Rate in order to avoid or diminish any income tax to holders of the Company capital stock resulting from any dividend or distribution of capital stock (or rights to acquire Common Shares) or from any event treated as such for income tax purposes. The Company may also, from time to time, to the extent permitted by applicable law, increase the Conversion Rate by any amount for any period if the Company has determined that such increase would be in the best interests of the Company. If the Company makes such determination, it will be conclusive. If the Company makes such a determination it will mail to Holders of record of the Debentures a notice of the increase at least fifteen (15) days prior to the date the increased Conversion Rate takes effect in accordance with applicable law and such notice shall state the increased Conversion Rate and the period during which it will be in effect.

The Company will not make any adjustment the Conversion Rate if Holders are permitted to participate, on an as-converted basis, in the transactions described above.

The applicable Conversion Price will not be adjusted upon certain events, including but not limited to:

- (A) the issuance of any Common Shares pursuant to any present or future plan providing for the reinvestment of dividends or interest payable on securities of the Company and the investment of additional optional amounts in shares of Common Shares under any plan;
- (B) the issuance of any Common Shares or options or rights to purchase those shares pursuant to any present or future employee, trustee or consultant benefit plan, employee agreement or arrangement or program of the Company;
- (C) the issuance of any Common Shares pursuant to any option, warrant, right, or exercisable, exchangeable or convertible security outstanding as of the date the Debentures were first issued;
- (D) a change in the par value of Common Shares;
- (E) accumulated and unpaid dividends or distributions;

- (F) as a result of a tender offer solely to holders of less than 100 Common Shares; and
- (G) for the avoidance of doubt, the issuance of limited partnership units by the Operating Partnership and the issuance of Common Shares or cash upon redemption thereof.

No adjustment in the applicable Conversion Price will be required unless the adjustment would require an increase or decrease of at least 1% of the applicable Conversion Price. If the adjustment is not made because the adjustment does not change the applicable Conversion Price by more than 1%, then the adjustment that is not made will be carried forward and taken into account in any future adjustment. All required calculations will be made to the nearest cent or 1/1000th of a share, as the case may be. Notwithstanding the foregoing, if the Debentures are called for redemption, all adjustments not previously made will be made on the applicable Redemption Date. Except as specifically described above, the applicable Conversion Price will not be subject to adjustment in the case of the issuance of any Common Shares or Company preferred shares, or securities exchangeable for or convertible into Common Shares or Company preferred shares.

Whenever the Conversion Rate is adjusted as herein provided, the Company shall as promptly as reasonably practicable file with the Trustee and any Conversion Agent other than the Trustee an Officers' Certificate setting forth the Conversion Rate after such adjustment and setting forth a brief statement of the facts requiring such adjustment. Promptly after delivery of such certificate, the Company shall prepare a notice of such adjustment of the Conversion Rate setting forth the adjusted Conversion Rate and the date on which each adjustment becomes effective and shall mail such notice of such adjustment of the Conversion Rate to the Holders of the Debentures within 20 Business Days of the effective date of such adjustment. Failure to deliver such notice shall not affect the legality or validity of any such adjustment.

- (s) *Ownership Limit.* Notwithstanding any other provision of the Debentures or the instructions contained herein, no Holder of Debentures shall be entitled to convert such Debentures for Common Shares to the extent that receipt of such shares would cause such Holder (together with such Holder's affiliates) to exceed the ownership limit contained in the Company's Declaration of Trust as in effect from time to time.

- (t) *Indenture Modifications for Purposes of the Debentures.*
- (1) Section 401 of the Indenture is modified in respect of the Debentures to provide that the Company may not discharge a Holder's rights to convert Debentures in accordance with the terms of the Debentures or to have registered the transfer or exchange of Debentures in accordance with the terms of the Indenture.
 - (2) Section 501 of the Indenture is modified for purposes of the Debentures to add the following Events of Default:
 - (a) The Company fails to deliver the amounts due upon a conversion of Debentures, and that failure continues for 10 days; and
 - (b) The Company fails to provide notice of the occurrence of a Change in Control when required under the Indenture;
 - (3) Section 902 of the Indenture is modified for purposes of the Debentures to add the following as requiring the consent of each Holder of a Debenture for modification or waiver:
 - (A) modify the provisions with respect to the Holders' rights upon a Change in Control in a manner adverse to the Holders of the Debentures, including the Company's obligations to repurchase the Debentures following a Change in Control; or
 - (B) adversely affect the Holders' rights contained in the exchange or repurchase provisions of the Debentures.
 - (4) Section 901 of the Indenture is modified for purposes of the Debentures to add that the Company may increase the Conversion Rate or reduce the Conversion Price; *provided* that the increase or reduction, as the case may be, is in accordance with the terms set forth herein or will not adversely affect the interests of the Holders of the Debentures.
- (u) The calculation of the Repurchase Price, Change in Control Purchase Price, Conversion Rate, Conversion Price and each other calculation to be made in respect of the Debentures shall be the obligation of the Company or its agent. All calculations made by the Company or its agent as contemplated pursuant to the terms hereof and of the Debentures shall be

final and binding on the Company and the Holders absent manifest error. The Trustee, Paying Agent and Conversion Agent shall not be obligated to recalculate, recompute or confirm any such calculations except in its capacity as Trustee or agent or of the Company.

- (v) The Trustee may make reasonable rules for action by or a meeting of Holders of Debentures. The Conversion Agent and the Paying Agent may make reasonable rules for their functions.
- (w) The Company shall not be obligated to redeem or purchase any Debenture pursuant to any sinking fund or analogous provision, or at the option of any Holder thereof except as provided herein.
- (x) The Debentures shall be issued in denominations of \$1,000 and integral multiples thereof and payments of principal, interest and additional amounts, if any, on the Debentures shall be made in U.S. dollars.
- (y) The Bank of New York is hereby appointed as a Paying Agent and the Security Registrar for the Debentures. The Security Register for the Debentures will be maintained by the Security Registrar in the Borough of Manhattan, The City of New York.
- (z) The rights, privileges, protections, immunities and benefits given to the Trustee pursuant to the Indenture, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities with respect to the Debentures and the Guarantee.
- (aa) The recitals contained herein and in the Debentures, except the Trustee's certificates of authentication, shall be taken as the statements of the Company and the Operating Partnership, as the case may be, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of these resolutions or of the Debentures or the Guarantee. The Trustee shall not be accountable for the use or application by the Company of Debentures or the proceeds thereof.
- (bb) The Trustee shall have no duty to determine when an adjustment of the Conversion Rate hereunder should be made, how it should be made or what it should be, except when the Trustee is also acting as an agent of the Company in connection with the Debentures or the Indenture. The Trustee shall have no duty to determine whether a supplemental indenture need be entered into or whether any provisions of any supplemental indenture are correct. The Trustee shall not be accountable for and makes no representation as to the validity or value of any securities or assets issued upon conversion of the Debentures. The Trustee shall not be responsible

for the Company's failure to comply with these resolutions or the terms of the Debentures. The Conversion Agent shall have the same protection under these resolutions and the Indenture as the Trustee.

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